ofqual

Annual report and accounts

2024 to 2025

ofqual

Office of Qualifications and Examinations Regulation

Annual report and accounts

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Annual report and accounts 2024 to 2025 (For the period 1 April 2024 to 31 March 2025)

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Contents

Chair's foreword **6**
Performance report **7**
Ofqual's role 7
Ofqual performs this regulation in a range of ways: 7
Summary of key activities 8
Chief Regulator's review of the year **9**
Performance analysis **10**
Quality and fairness for students and apprentices 10
GCSEs, AS and A levels 10
Vocational and Technical Qualifications (VTQs) 12
Principles Condition 13
Seeking views to support regulation 14
Accessibility of qualifications 14
Equality impact assessments 15
Regulatory actions and interventions 15
Counter-fraud 17
Applications to be a recognised awarding organisation 17
Regulating national assessments 18
Clarity, effectiveness and efficiency in the qualifications market 18
Informing people about regulated qualifications 18
Shaping the future of assessment and qualifications 19
New and revised general qualifications 19
Reform of post-16 qualifications at level 3 and below 20
Research 20
Supporting innovation 21
Developing Ofqual as an effective, expert regulator and inclusive employer 22
Civil Service People Survey 2024 22
Ofqual Results in Civil Service People Survey Engagement Index 22
Our technology 22
Memorandums of Understanding 23
Forward look for 2025 23
Managing our resources 23
Estate 23
Public enquiries 23
Whistleblowing disclosures 24

Complaints 24
Statutory equalities reporting 25
Financial review 25
Departmental data reporting tables 26
Long-term expenditure trends 27
Payment of suppliers 28
Sustainability 28
Procuring sustainable products and services 28
Adapting to climate change and promoting resource efficiency 28
Energy consumption 29
TCFD Compliance Statement 30
Basis of accounts 31
Pension liabilities 31
Events after the reporting period 31
Auditor 31
Accountability report **32**
Corporate governance report 33
Directors' report 33
Statement of Accounting Officer's responsibilities 40
Governance statement 41
Scope of responsibility 41
Overview 41
Ofqual Board 41
Committees of the board 43
Management control activities 43
Executive Team 44
Risk management 44
Our risk and internal control framework 44
Managing risks to our objectives 45
Accounting Officer system statement 46
Remuneration and staff report 48
Remuneration report 48
Staff report 55
Parliamentary Accountability and Audit Report 62
Statement of Outturn against Parliamentary Supply 62
Notes to the Statement of Outturn against Parliamentary Supply 65
Parliamentary Accountability Disclosures 69
Opinion on financial statements 70
Opinion on regularity 70
Basis for opinions 70

The Certificate of the Comptroller and Auditor General to the House of Commons **70**
Conclusions relating to going concern 71
Other information 71
Opinion on other matters 71
Matters on which I report by exception 72
Responsibilities of the Accounting Officer for the financial statements 72
Auditor's responsibilities for the audit of the financial statements 72
Audit response to identified risk 74
Other auditor's responsibilities 74
Report 74
The financial statements **75**
Statement of comprehensive net expenditure 75
Statement of financial position 76
Statement of Cash Flows 77
Statement of changes in taxpayers' equity 78
Notes to the financial statements 79
Note 1 – Statement of accounting policies 79
Note 2 – Statement of operating costs by operating segment 83
Note 3 – Staff costs 85
Note 4 – Expenditure 86
Note 5 – Income 87
Note 6 – Right of use assets 87
Note 7 – Property, plant and equipment 88
Note 8 – Intangible assets 89
Note 9 – Cash and cash equivalents 90
Note 10 – Trade receivables 90
Note 11 – Trade payables, financials and other liabilities 90
Note 12 – Lease liabilities 91
Note 13 – Commitments under operating leases 92
Note 14 – Provisions for liabilities and charges 92
Note 15 – Financial risks 92
Note 16 – Contingent liabilities. 92
Note 17 – Related-party transactions 93
Note 18 – Entities within the department boundary 93
Note 19 – Events after the reporting period 93

Chair's foreword

I was delighted to join the Ofqual Board as Chair at the start of this year, at an exciting time for the organisation. During my first few months with Ofqual, Sir Ian Bauckham CBE has been confirmed as Chief Regulator and we have developed our new strategy for the next 3 years.

I would like to pay tribute to Frances Wadsworth CBE for her work as interim Chair in 2024 and thank her for her continuing contribution as a board member.

Our board is charged with governing Ofqual's strategic direction. We must pay close attention to progress in meeting strategic goals, evaluating the work the organisation does and ensuring that regulated qualifications maintain trusted standards. In a period of financial stringency, we need to ensure that Ofqual operates with maximum efficiency and continues to deliver excellent value for money.

During more than 3 decades in education, with many years in leadership roles, I am well aware of the importance of qualifications for students and apprentices. The qualifications we regulate shape the future of the young people and adults who take them, opening up opportunity. They are a cornerstone of an efficient and productive economy. The high standards we expect from our qualifications ensure that all can be confident of their validity and currency.

Ofqual's role is to safeguard those high standards by stewarding the qualifications system effectively. I look forward to working with the board and the organisation as we undertake this important responsibility on behalf of all who take and use our qualifications.

My period as Chair will no doubt be a time of change. The government's review of curriculum and assessment will likely bring changes to qualifications. The digital environment continues to evolve and Ofqual continues to research how best to use technology in assessment. Our focus on high standards, innovation and consistency will ensure we strike the right balance between embracing new opportunities and protecting the validity and fairness of the qualifications students and apprentices gain.

This report outlines a series of achievements over the past year and I would like to end by thanking everyone at Ofqual for their contribution. That extends from Sir Ian and his executive team to their colleagues in every department and to my fellow Ofqual board members. The successes of the past year are testament to the hard work, expertise and commitment of them all.

Dr Susan Tranter
Chair
2 July 2025

Performance report

This section outlines Ofqual's role and provides an analysis of our performance against goals and objectives, including our equality objectives, over the reporting period. Ofqual's strategic priorities were set out in the Ofqual corporate plan 2022 to 2025.

Ofqual's role

Ofqual is the qualifications and assessments regulator for England. As a non-ministerial department, Ofqual is independent of ministers and is accountable directly to Parliament. Our independence is important in securing public confidence in the standards and validity of qualifications.

Parliament created Ofqual to:

- secure standards in qualifications so they give a reliable and consistent indication of knowledge, skills and understanding
- promote the development and implementation of national assessments that give a reliable and consistent indication of achievement
- promote public confidence in qualifications and national assessments
- promote public awareness and understanding of the range and benefits of regulated qualifications
- secure that qualifications are provided efficiently and represent value for money

Ofqual regulates **255** awarding organisations and more than **10,100 active** qualifications, for which **11.8 million** certificates were issued in the 2023 to 2024 academic year. These include vocational and technical qualifications, apprenticeship assessments, GCSEs, AS and A levels. Ofqual also regulates National Assessments delivered by the Standards and Testing Agency.

Ofqual performs this regulation in a range of ways:

- controlling entry of awarding organisations into the market
- reviewing the quality of qualifications and assessments
- creating general, qualification and subject-specific rules and guidance
- monitoring the application of those rules, supporting compliance and where necessary taking regulatory action

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- where appropriate, working in a co-regulatory way on regulatory issues
- engaging with a wide range of stakeholders to promote understanding

Ofqual has statutory duties to not impose or maintain unnecessary regulatory burden and to have regard to the desirability of facilitating innovation.

As a non-ministerial department, Ofqual receives its core funding directly from His Majesty's Treasury (HM Treasury). Where we undertake specific activity to support the government's wide-ranging skills reform programmes, we receive additional funding from the Department for Education (DfE). In 2024 to 2025, our funding was secured through the 2021 Spending Review (SR21), from which we received funding of £31.33 million.

Summary of key activities

Ofqual's first priorities are to oversee the delivery of and secure standards in qualifications and assessments. In this reporting period, overall delivery of national qualifications in summer 2024 was successful, following the return to pre-pandemic standards for qualifications in summer 2023.

Alongside our work to secure standards and confidence in national qualifications Ofqual continued to prioritise work to deliver the broad programme of government reforms of vocational and technical qualifications. Ofqual worked closely with the Institute for Apprenticeships and Technical Education (IfATE) on technical qualifications and the continued roll out of T Levels. Ofqual also continued to develop arrangements for a new GCSE in British Sign Language.

Ofqual continued its programme of research, aligned to the priorities set out in the corporate plan, to increase understanding of the qualifications we regulate and to gather evidence to inform future regulation.

All of Ofqual's work is underpinned by our people, data and technology. In the reporting period Ofqual continued to deliver its people strategy and digital data and technology strategy.

Ofqual has continued work to meet our published equality objectives, aligned to our corporate plan. Our approach to fairness, and equality, diversity and inclusion was embedded into our strategic goals. We report progress on achieving those objectives in this report. Both our objectives and this reporting are important aspects of how we fulfil our obligations under the Public Sector Equality Duty (PSED).

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Chief Regulator's review of the year

I was delighted to be named Chief Regulator at Ofqual at the start of 2024 and to be confirmed in the role earlier this year. I have dedicated my career to improving education and opportunities for young people and know what a privilege it is to lead the organisation entrusted with maintaining standards and confidence in England's qualifications system.

Qualifications help students prepare for the next steps of their career, whether that is an apprenticeship, college, university or employment. That is why it is vital that our qualifications are of high quality, demonstrably fair and trusted across society.

Summer 2024 built upon the success of the previous year, and we are confident the standard of work needed to achieve a particular grade was in line with pre-pandemic standards.

More than 7 million results were issued to students in England last August alone, including over 6 million results for GCSE, AS and A levels and more than 800,000 for vocational and technical qualifications, at levels 1/2, 2 and 3. Several million more certificates for other VTQs were awarded at other points of the year.

We congratulate those who have achieved these results. It is also important to recognise the contribution of all those working in schools, colleges and other settings whose hard work and commitment to students' long-term progress make these achievements possible.

In May 2025, we published Ofqual's new 3-year strategy, which is framed around the concept of stewardship of the qualifications system. This will enable us to respond to changing circumstances and secure the safe, fair and resilient delivery of qualifications and assessments in the future.

I would like to close by thanking colleagues for their dedication, hard work and contribution to the achievements of the past year. The financial environment across the public sector remains challenging and necessitates careful prioritisation. The successful delivery of Ofqual's strategic and regulatory objectives this year should be seen in this context. Ofqual remains an excellent place to work. The most recent Civil Service People Survey showed Ofqual continuing to rank significantly above average for employee engagement and for inclusion and fair treatment. These results speak volumes of the positive atmosphere created by my colleagues in the organisation, alongside their tireless work on behalf of students and apprentices.

Sir Ian Bauckham CBE
Chief Regulator and Accounting Officer
4 July 2025

Performance analysis

The Ofqual corporate plan 2022 to 2025 included 4 priority areas for the period:

1. quality and fairness for students and apprentices
2. clarity, effectiveness and efficiency in the qualifications market
3. shaping the future of assessment and qualifications
4. developing Ofqual as an effective, expert regulator and inclusive employer

Equalities and fairness in assessment runs through much of Ofqual's work. Ofqual's equality objectives for 2023 to 2025 are based on priorities 1 and 4.

Quality and fairness for students and apprentices

GCSEs, AS and A levels

Regulating delivery

Ofqual is responsible for regulating GCSEs, AS and A levels in England, known as general qualifications. In 2024, over 1.3 million students took general qualifications, and more than 6.5 million certificates were awarded.

The summer 2024 series was again delivered as normal following the return to pre-pandemic standards for qualifications in summer 2023. Exams and formal assessments operated in the normal way and standards remained comparable over time, including to the previous year and before the pandemic.

Following the government's decision about the coverage of its subject content, the provision of formulae and revised equation sheets in a small number of GCSE subjects continued in 2024 as additional support for students. In addition, the government decided that students did not need to memorise the usual formulae and equations in 2025, 2026 and 2027 so this provision will continue for exams in these years. The outcome of the Curriculum and Assessment Review will inform any long-term changes in this area.

Ofqual monitored assessment delivery, marking and moderation. More detail and the analysis of the delivery of the summer 2024 series can be found in the Ofqual delivery report 2024. Overall, the series was successful and there were no issues that caused significant disruption to the secure and timely delivery of qualifications.

Ofqual sets the requirements for the awarding of grades and monitored how awarding organisations implemented these requirements. As in any year, senior examiners evaluated the quality of students' work and compared it closely with previous years, then recommended grade boundaries based on a range of both judgemental and technical evidence.

Grade boundaries typically change each year to make sure the standard of work needed for each grade remains stable and to reflect any differences in the difficulty of the assessments. This meant that for 2024, the standard of work required to achieve a particular grade was indistinguishable from 2023, and before the pandemic. Overall, results for GCSEs and A levels were similar to summer 2023.

For summer 2024, we required exam boards to award GCSE French, GCSE German and GCSE computer science slightly more generously. The positive adjustments in French and German follow our detailed review of an extensive evidence base as part of our work on inter-subject comparability, and subsequent announcement in 2019, that we would seek to align grade standards in GCSE French and German with Spanish.

For GCSE computer science we required exam boards to award more generously at grades 9, 7 and 4, to reflect Ofqual's research findings.

National Reference Test

In August 2024 Ofqual published the results of the 2024 National Reference Test (NRT). In February and March 2024, more than 13,000 year 11 students from 341 schools in England took the National Reference Test in English and maths, which is administered by NFER. The tests are designed to provide evidence of the performance of 16-year-old students in English and maths. The first live NRT, taken in 2017, was benchmarked against the first awards of the reformed GCSEs in English language and maths in that year, and subsequent tests compare the performance of students with those in previous years.

The NRT results in 2024 were compared with 2017 because this is the baseline year of the NRT, and, with the exception of 2021 and 2022, the year with which we have previously compared results. The results showed that, in English, there was a statistically significant downward change when compared with 2017 at grade 4 (at the 0.01 level of significance). There was no statistically significant difference at grade 7 when compared with 2017. These results could be interpreted as suggesting a small downwards adjustment to grade standards at grade 4 in summer 2024 would have been appropriate. We have been clear, however, that we would exercise caution in making changes to awarding. Given the context following the pandemic, we did not consider in summer 2024 that there was sufficient evidence of a genuine decline in performance such that we should make a downwards adjustment.

In maths, there was a statistically significant upward change at grade 7 (at the 0.05 level of significance). There was no statistically significant change at grade 4. Again, this could be interpreted as suggesting a small upwards adjustment to grade standards would have been appropriate at grade 7 in summer 2024. We considered, however, that the 2024 NRT outcomes in maths are similar to those seen in 2019. At that time, we decided not to make an adjustment because we considered that the increase relative to 2017 was likely due to the so called 'sawtooth effect' and so represented the improvements that we might expect in the first few years that a qualification is available. To make an adjustment now would be rewarding a level of performance that we have previously decided not to (because we were not confident that it reflected a

genuine improvement in attainment). Taking into account our principles of consistency (that our decisions should be consistent between years) and acting judiciously (that we will be cautious in applying any adjustment), we therefore decided not to make an adjustment in maths at grade 7 in summer 2024.

In both subjects, in August 2025 and beyond, we will consider any trends and apply the principles outlined above, when deciding whether any change in the NRT reflects a genuine improvement in attainment that should be reflected in national GCSE results.

Vocational and Technical Qualifications (VTQs)

Arrangements for VTQ examinations and assessments remained broadly the same in 2024 to 2025 as in 2023 to 2024. Summer 2025 will see the second year of students receiving results for Tech Awards at Level 1/2 and Level 2 and Ofqual has continued to provide communications and engagement to ensure the assessment arrangements for these qualifications are understood by schools. Ofqual has written to awarding organisations setting out areas of regulatory focus, including any follow-up work they are expected to carry out ahead of summer 2025, which will be revisited in annual review meetings.

Detail about how Ofqual monitors assessment delivery is contained within Ofqual's Delivery Report for 2024 (published in December 2024) covering general qualifications, vocational and technical qualifications, and Apprenticeship end-point assessments.

Ofqual regulates the Technical Qualification (TQ) within T Levels, which comprise the Core assessments (core exams and employer set project) and the occupational specialism(s).

Ofqual continued to work closely with the Institute for Apprenticeships and Technical Education (IfATE) and DfE across all aspects of T Levels, including their development, delivery, and ongoing review to ensure these qualifications meet the needs of students, providers and industry. This collaboration has been crucial in the rollout of T Levels, with 21 qualifications now in delivery.

We are monitoring closely the transition to the next generation of T Level contracts to ensure that this is smooth for students, that qualifications are high quality and standards are maintained – particularly where the contracted awarding organisation is changing.

Ofqual is the regulator for the majority of Apprenticeship end-point assessments (EPAs). During 2024 to 2025 Ofqual engaged with a wide range of awarding organisations around their delivery of EPA, including reviewing samples of assessment materials. Themes considered during this period included awarding organisations' standardisation practices, and the efficient and timely delivery of EPAs.

In February 2025, DfE announced changes to apprenticeship assessment, publishing a new set of assessment principles. In 2025 to 2026 Ofqual will consult on a revised regulatory framework for apprenticeship assessment, to embed these new apprenticeship assessment principles.

Certifications and outcomes data

During the 2023 to 2024 academic year, over 5.1 million VTQ certificates were issued to students. In spring and summer 2024 alone, awarding organisations issued over 630,000 certificates to students studying VTQ Performance Table Qualifications (PTQs), and nearly 244,000 certificates were issued to students studying Functional Skills qualifications (FSQs). In addition, around 7,340 students received results for the Technical Qualifications within T Levels. Quarterly

certifications data can be explored in Ofqual's quarterly certification statistics and the interactive app.

Ofqual published an updated report into End-Point Assessments (EPA) outcomes data in December 2024. Data was collected from awarding organisations to cover the period March 2023 to end of February 2024, and showed that 144,895 EPAs were fully completed, and 411,100 individual EPA components taken by apprentices within this period.

Measures to support timely delivery of results

Following successful timely delivery of VTQ results in the 2023 to 2024 academic year, the same measures to assure timely delivery have continued for the 2024 to 2025 year. The measures are designed to support parity of treatment for VTQs alongside GCSEs and A levels and include:

- deadlines for schools and colleges to inform awarding organisations which students need a result in August for progression
- early release of results to schools and colleges to resolve any anomalies ahead of results days
- a requirement for schools and colleges to provide a Senior Designated Contact to their awarding organisations who can be contacted outside of term time

Ofqual's close monitoring of awarding organisations' progress as they deliver these measures also continues.

Functional Skills qualifications in English and maths

In 2024, Ofqual published research into FSQs. The evaluation found the level of difficulty of the assessments to be appropriate, whilst identifying areas for improvement. Ofqual continues to monitor how awarding organisations respond to those issues.

In November 2024 Ofqual published an interactive visualisation to enhance transparency and provide insights into FSQ outcomes and certification numbers. The visualisation shows the number of certificates issued and student outcomes from October 2021 onwards.

Research is ongoing to explore effective practices in the assessment of problem-solving in FSQ maths. The aim is to ensure that the assessments are robust and accurately measure the intended skills and knowledge.

Digital Functional Skills Qualifications

New Digital Functional Skills qualifications (Digital FSQs) were introduced for first teaching in August 2023. These new qualifications replace Functional Skills qualifications in information computer technology (FSQs in ICT) and are available at entry level 3 and level 1. Digital FSQs are focused on improving adult basic digital skills which are needed for employment or further study. The qualifications are based on DfE subject content derived from the national standards for essential digital skills.

In total, 2,302 Digital FSQ certificates have been issued in the first year of teaching.

Principles Condition

As a responsible regulator we want to ensure that our regulatory framework remains as effective as possible by keeping it under review and updating it when and where necessary.

To that end, between November 2024 and February 2025, we consulted on introducing a new Condition (the Principles Condition) to the General Conditions of Recognition, as well as supporting statutory guidance.

The proposed Principles Condition contained 6 overarching principles:

- Principle 1 – An awarding organisation must act with honesty and integrity
- Principle 2 – An awarding organisation must treat Learners fairly by acting and taking decisions with due impartiality and based on appropriate evidence
- Principle 3 – An awarding organisation must ensure that each qualification that it makes available, or proposes to make available is, and continues to be, fit for the purposes for which it is intended
- Principle 4 – An awarding organisation must act in a way that maintains and, where possible, promotes public confidence in qualifications
- Principle 5 – An awarding organisation must act in an open, transparent and co-operative manner with Ofqual and, as appropriate, with Users of qualifications
- Principle 6 – An awarding organisation must conduct its activities with a proactive approach to compliance with its Conditions of Recognition

The aim of the Principles Condition is to further sharpen the clarity of Ofqual's regulatory framework and guide an awarding organisation's actions when complying with Ofqual's rules.

We are analysing consultation feedback and our decisions will be published later in 2025.

Seeking views to support regulation

During the year, Ofqual met a wide range of individuals and organisations to seek their views on the qualifications we regulate. This included school and college leaders, teachers, home educators, exams officers and administrators, higher and further education staff, students and parents, teaching unions, higher education providers and representatives, employers, representatives of subject associations and equalities organisations.

Two-way dialogue helps support our regulation, intelligence gathering and how we communicate about regulated qualifications – to support public confidence. We also use this engagement to increase awareness and application of the arrangements for awarding regulated qualifications.

Our interaction includes one-to-one conversations, group meetings (such as Ofqual's Exam Stakeholder Engagement Group, VTQ Results Group, VTQ Centre Reference Group, and the Apprentice Provider Reference Group) and attending conferences and events.

Accessibility of qualifications

Ofqual is committed to regulating so that all qualifications are as accessible as possible to all students. This is an important part of our work towards quality and fairness for students.

Ofqual works with organisations and experts with an interest in accessibility and equalities to help us understand the equality impact of our work and to inform our regulatory approach. This year, as in previous years, we spoke regularly with a range of such organisations and individuals, including groups that represent the interests of, or teach, students who share particular characteristics, including disabled students. We hosted 2 meetings of the Access Consultation Forum (ACF). The forum discusses issues that affect the accessibility of Ofqual-regulated qualifications and assessments. Its focus is primarily, although not exclusively, on the accessibility of general qualifications for disabled students. ACF also considers accessibility issues relating to vocational and technical qualifications and national assessments and can consider issues affecting students with other protected characteristics. In 2024 to 2025, issues the forum discussed included:

- access arrangements and reasonable adjustments in exams and assessments – including feedback from Ofqual's school and college visits, and views of Special Educational Needs and Disabilities Coordinators (SENDCos)
- assessment arrangements in Scotland
- research on the provision of access arrangements in secondary schools
- modified papers and associated assistive technologies
- updates to the UK Association for Accessible Formats' (UKAAF's) Best Practice Guidance for Professional in Schools, Modifiers and Producers
- accessibility of on-screen exams
- assistive technology research

Ahead of summer 2024 exam results, Ofqual met equalities stakeholders to support awareness of assessment arrangements. As well as discussing the approach to grading, we emphasised the steps we and awarding organisations take to ensure that qualification results remain a reliable measure of students' knowledge, skills and understanding.

Ofqual continues to engage with the Equality and Human Rights Commission (EHRC) on matters of shared interest including the provision of reasonable adjustments for disabled private candidates.

Equality impact assessments

Equality impact assessments (EIAs) are an important part of Ofqual's policy development process. EIAs form part of all our public consultations and support Ofqual's work towards its public sector equality duty (PSED). Between 1 April 2024 and 31 March 2025 Ofqual published decisions on proposed changes to the assessment of mathematics, physics and combined science GCSEs in 2025, 2026 and 2027. During the same period, Ofqual began public consultation on the following proposals:

- Introducing principles into the General Conditions of Recognition
- Amending our Taking Regulatory Action Policy

Ofqual's approach to regulating qualifications has fairness for students and apprentices at its core. This means thinking about how Ofqual's regulation might affect all students taking regulated qualifications – including those who share particular protected characteristics and those who come from disadvantaged backgrounds.

EIAs help us to identify the potential positive and negative impacts of a proposed policy approach for people who share particular characteristics, including protected characteristics. EIAs help us to consider how we can mitigate or eliminate any negative impacts and promote equality. To make sure we have identified and considered as many of these impacts as possible, we ask consultation respondents whether there are any impacts we have not identified, and whether they have suggestions for how any negative equalities impacts could be removed or mitigated. On occasion, we might decide that such impacts are unavoidable. Where a negative impact cannot be mitigated, we set out clearly and transparently the reason(s) why in the EIA. Further information is available in the EIAs for the relevant consultations (both in the consultation proposals and the decisions following consultation).

Regulatory actions and interventions

The regulatory actions and interventions taken by Ofqual are published on our website. Table 1 summarises the interventions we have made over the reporting period for all awarding organisations, including those offering general, vocational, technical and other qualifications.

Table 1: Interventions

Date issued	Awarding organisation	Action	Date published
18 April 2024	City and Guilds of London Institute ("City and Guilds")	Monetary Penalty in sum of £200,000 (Settlement) Costs Recovery in sum of £5000	22 April 2024
4 July 2024	NCFE	Undertaking	9 July 2024
2 August 2024	NCFE	Monetary Penalty in sum of £300,000 (Settlement) Costs Recovery in sum of £10,000	28 August 2024
27 January 2025	Qualifications for Industry ("QFI")*	Monetary Penalty in the sum of £50,000 Costs Recovery in sum of £15,846.22	3 February 2025
14 and 21 March 2025	Pearson Education Ltd	Monetary Penalty in the sum of £250,000 (Settlement) Costs Recovery in the sum of £10,000 Undertaking	17 April 2025
17 March 2025	Excellence, Achievement & Learning Limited ("EAL")	Direction	9 May 2025
21 March 2025	British Safety Council ("BSC")	Monetary Penalty in the sum of £5000 (Settlement)	17 April 2025

* The intervention for QFI is under appeal.

As well as the published interventions, Ofqual imposed additional conditions of recognition, known as Special Conditions, on a total of 14 occasions through the year. Special Conditions are used in a variety of ways, including to support investigations and to manage identified risks, and were imposed on 10 existing awarding organisations and on 2 newly recognised awarding organisations. During the year Special Conditions were kept under review, one awarding organisation had Special Conditions fully revoked, and another 8 had Special Conditions amended or extended. Where Special Conditions are not published, this is often because publishing may increase the risks which those conditions are intended to manage. We keep under review the possibility of publishing such interventions at a later date.

Eight awarding organisations surrendered their recognition between 1 April 2024 and 31 March 2025:

- Chartered Institute of Ecology and Environmental Managements (CIEEM)
- Qualifications for Industry Limited (QFI)
- Westcountry Schools Trust (t/a The Learning Institute (TLI))
- PADI EMEA Limited (PADI)
- University of Cambridge (The Chancellor, Masters and Scholars of the University of Cambridge (Cambridge International Education)
- British Safety Council (BSC)
- Newcross Healthcare Solutions Limited (NXEPA)
- Philip Brain Associates Limited (t/a Extractives and Mineral Processing Industries Awards (EMPI Awards)

Counter-fraud

There is a risk of malpractice in all qualifications, but qualifications that are required to gain a licence, job or immigration status are more likely to be targeted by those willing to commit fraud. In November 2024, Ofqual convened a summit of key stakeholders across the education sector and industry to consider ways of working together to help identify, prevent and disrupt qualification fraud. This has led to strengthened relationships with these organisations, including the Office for Students, the Security Industry Authority and the Home Office, and an improved, holistic approach to tackling qualification fraud.

Also in November 2024, we published Ofqual's action plan for the prevention of qualification fraud which includes strengthened measures to find and tackle qualification fraud, aiming to stop people gaining certificates without doing the work to demonstrate their skills and knowledge. As part of the action plan, Ofqual worked with awarding organisations to produce a Fraud Prevention Advice Note so they can better address the risk of fraud in accordance with their conditions of recognition.

In December 2024, Ofqual agreed an Information Sharing Agreement with the Security Industry Authority to share data relating to qualification fraud more effectively. We are working towards similar agreements with the Construction Industry Training Board and the Construction Skills Certification Scheme.

In addition, we have placed additional information about how to report qualification fraud on GOV.UK and updated the online Ofqual complaints procedure to clarify the reporting of qualification fraud.

Ofqual is continuing its work in this area over 2025 to 2026.

Applications to be a recognised awarding organisation

Any organisation wishing to become recognised by Ofqual must submit an application that demonstrates its ability to meet the Ofqual Criteria for Recognition. All prospective awarding organisations meet Ofqual before completing an application to understand Ofqual's process and requirements, both at application and following Ofqual recognition.

We have developed a new, more accessible Recognition Gateway to improve the user experience, help potential applicants to assess if recognition is for them, and to reduce internal manual processes. We have reviewed the materials available to potential applicants to provide clearer guidance on our expectations and how to apply for recognition. We offer all potential applicants access both to a webinar and a meeting with Ofqual staff to provide clear support and guidance in their application.

During the reporting period, Ofqual carried out early engagement activities with 275 prospective awarding organisations. These activities include a webinar held monthly, which introduces organisations to the concept of and process for recognition, and individual meetings to support applicants with their specific concerns and questions. We received applications from 57 organisations and 7 organisations gained Ofqual recognition. Five of these awarding organisations were recognised to deliver EPA, bringing the total number of Ofqual regulated organisations offering EPAs to 155.

Regulating national assessments

Ofqual's standards objective relating to national assessment is to promote the development and implementation of tests which give a reliable indication of achievement, including over time. We are also required to promote public confidence in national assessments. The primary body responsible for developing and delivering national curriculum assessments is the Standards and Testing Agency (STA). STA is an executive agency within the DfE and contracts suppliers to help with delivery.

Ofqual's monitoring and analysis of the development and delivery of national assessments was published in our annual report in December 2024. Ofqual's analysis of Key Stage 2 (KS2) marking quality showed a high degree of reliability again in 2024 and more than 99.9% of children received their KS2 results on time. Ofqual also undertook a range of regulatory activity which assured us that results in 2024 could be robustly linked to the standards as they were originally set in 2016. Overall, we concluded that national assessment delivery last year was successful.

2025 will be the last year that the current contractor Capita will be responsible for the printing, distribution, collection and marking of KS2 tests, along with the provision of school-facing services across national assessments. In 2026, Pearson will become STA's primary delivery contractor. In addition, STA plans to introduce a new version of the Reception Baseline Assessment from September 2025. Ofqual will continue to evaluate risks to validity from any changes to the arrangements for national assessments.

Clarity, effectiveness and efficiency in the qualifications market

Informing people about regulated qualifications

Ofqual engages widely with a range of individuals and organisations to both inform them about our work and to understand their views about the qualifications we regulate.

It is important that school and college leaders, teachers, exams officers, students of all ages, apprentices and their parents have access to information about regulated qualifications so they can be confident in them. Ofqual has continued to provide information for school and college leaders, teachers, students and their parents about the arrangements for regulated qualifications.

This included our annual guide for schools and colleges and guide for students (published in the autumn term), which explain arrangements for qualifications regulated by Ofqual. Ofqual has written letters to schools and colleges and students, blogs and other updates on our website. We also published the VTQ information hub 2024 to 2025, to make key dates and deadlines ahead of awarding in summer 2025 easier to find.

We have engaged with higher education institutions, including UCAS, to support them in making offers by ensuring that the arrangements for qualification assessment and grading are well understood. With UCAS, we wrote a letter to students receiving results outlining important information about the results in 2024.

We have continued to attend exam officer conferences and training sessions to improve understanding of Ofqual regulation and activities to support effective administration of exams and assessments.

As in other years, we directed students seeking information and support after receiving their qualification results to the Exam Results Helpline run by the National Careers Service. We briefed the helpline team about the arrangements in place for regulated qualifications so they could provide information and support for students. Within our student guide, we signposted students who had concerns about possible discrimination to the Equality Advisory and Support Service (EASS). EASS briefed us on its remit to support with the signposting of students to its helpline, and we briefed EASS so that it could support any students who contacted it.

Ofqual has continued a significant programme of work to develop the Ofqual Register of Regulated Qualifications, now comprising 2 services: Find a Regulated Qualification and Find a Regulated Awarding Organisation. This will make finding information about regulated qualifications and awarding organisations much easier for users and therefore support greater clarity, effectiveness and efficiency in the qualifications market.

We have engaged widely with a range of stakeholders including students, apprentices and those who work across the education sector to enhance these 2 services, based on their needs. The newly developed services are now in their public beta phase and available for use. We have also ensured that the data and information Ofqual publishes publicly on the Register can be accessed easily through an Application Programming Interface (API), which supports other organisations to use this data across the education sector.

The newly developed services have been developed in line with the government service standard and using the GOV.UK Design System to ensure accessibility. The service passed a public beta service assessment and continues to be developed based on feedback and research.

Ofqual's commitment to transparency and to wider engagement of the public with the data we hold continues to be facilitated by regular publication of Official Statistics such as the Annual Qualifications Market Report, published in March 2025. This is in addition to delivery of interactive and visual applications to provide access to key data.

Shaping the future of assessment and qualifications

New and revised general qualifications

Ofqual has continued to develop arrangements for a new GCSE in British Sign Language (BSL), working closely with independent subject matter specialists and some awarding organisations to ensure that the arrangements are deliverable and fit for purpose. Ofqual launched a consultation in April 2025 which sets out the detailed rules that an exam board would need to follow when designing a GCSE qualification in BSL.

Alongside the developments for this new qualification, Ofqual has continued to work with independent subject matter specialists to scrutinise updates and amendments to existing general qualifications.

Reform of post-16 qualifications at level 3 and below

Following the general election in May 2024, the previous government's post-16 qualifications reforms were paused and the DfE undertook a review of the reforms. This review concluded in December 2024.

The government commissioned a Curriculum & Assessment Review (CAR), with an interim report published on 18 March 2025; the final report is expected towards the end of 2025. Ofqual is providing expert advice to the CAR in our role as qualifications regulator.

Ofqual has continued to support DfE and IfATE as part of the integrated process for awarding organisations to submit qualifications for funding approval. There are now 74 new level 3 Alternative Academic Qualifications and Technical Occupational Qualifications on the Register of Regulated Qualifications and available from August 2025. Ofqual has reviewed these submissions and provided feedback to inform approval decisions made by DfE and IfATE.

Higher Technical Qualifications

Ofqual is regulating delivery by awarding organisations of the initial cycles of approved HTQs, where they fall into Ofqual's remit.

Research

Ofqual has continued its programme of research to further theoretical and technical understanding of the qualifications we regulate and to gather evidence to inform future regulation.

In July 2024 Ofqual published the 2023 inter-subject comparability (ISC) report for GCSEs and A levels. Alongside this report, we published a review of standards in GCSE computer science, following stakeholder concerns. This work resulted in Ofqual instructing exam boards to make a small adjustment to standards in this qualification to prevent students being unfairly disadvantaged by a small inadvertent change in grading standards in the qualification over time.

Research continues to support Ofqual's commitment to fulfilling its equalities objectives. Ofqual has continued its research into extra time as a reasonable adjustment in general and vocational and technical qualifications, and presented initial findings to various stakeholders, with a plan to publish this research later in 2025. In December 2024, Ofqual published interactive equalities analysis for the qualification results issued in summer 2024, and briefed stakeholders on the findings. The analysis covered GCSE, A level and vocational and technical qualifications taken alongside or instead of GCSEs and A levels in schools and colleges. Ofqual has conducted analysis every year since 2020 to monitor how differences in results between groups of students with different protected characteristics and socioeconomic status have changed, however since 2023 the analysis has been published as an interactive visualisation so stakeholders could explore the data in detail.

Ofqual published a report on the impact of unconditional university offers on students' A level attainment. This work concluded that students receiving and accepting an unconditional offer had a negative impact on their A level outcomes. Although the context has changed since 2019, including Universities UK publishing a code of practice for fair admissions that discourages institutions from making certain types of unconditional offers in particular circumstances, this work can contribute to any future debate about the system of university admissions in England.

In November 2024, Ofqual published a series of research reports on the approach to outcome-based qualification design that came to dominate the landscape of regulated vocational and technical qualifications in England.

We called this the 'CASLO' approach because these qualifications are all designed to Confirm the Acquisition of Specified Learning Outcomes. These reports explained what CASLO qualifications look like, how they work, their origins and evolution, and how awarding organisations have responded to criticisms of the approach. In November 2024, Ofqual hosted a launch event to coincide with report publication. Subsequently, in March 2025, we ran an event for awarding organisations, which revolved around the themes of building fitness for purpose into our qualifications and the importance of expertise in qualification design.

Strategic research has continued to support Ofqual's consideration of the future of assessment. Other research evaluating assessment and qualification design approaches is ongoing. This includes research into the broader use of objective test questions in high stakes qualifications and the use of assessment objectives in qualification design. We are also conducting research into the value of alternatives to grade descriptors to exemplify grading standards and approaches to assessing problem solving in function skills maths qualifications.

In December 2024, Ofqual released an update to our Grading and Admissions data for England (GRADE) dataset. This dataset makes available linked data from Ofqual, DfE and UCAS, covering the period from 2017 to 2022, enabling independent research into the educational, assessment and university admission system in England, to produce evidence to inform future education policy.

Supporting innovation

New approaches to assessment, including the use of technology, can have the potential to improve quality and fairness for students and apprentices, and to strengthen the resilience of how qualifications and assessments are delivered. Ofqual is committed to engaging with awarding organisations to support the safe and considered use of innovative practice and technology where appropriate and to remove regulatory barriers where innovation can make assessment more valid and efficient.

Ofqual's Innovation Service supports awarding organisations in navigating how a well-developed idea that promotes valid and efficient assessment could interact with our regulatory requirements and helps to identify the regulatory risks that may emerge. The service is open to novel concepts, including those where awarding organisations may already have trialled new applications and seek a view ahead of its wider deployment.

Ofqual has contributed to the DfE initiative to develop AI tools to help teachers to more efficiently mark classroom-based tests and assessments by providing a bank of expertly marked student scripts to use as a training corpus.

Regulating the use of artificial intelligence

The development of widely accessible generative artificial intelligence (AI) has implications for the regulation of qualifications and assessments. These include opportunities for AI to support the design, development and delivery of high-quality assessment, alongside risks around AI misuse in non-exam assessments. Ofqual's priority is to ensure that where AI is used by awarding organisations, it is applied in a safe and appropriate way that does not threaten the fairness and standards of, or public confidence in, qualifications.

As such, Ofqual has established 5 key objectives that shape our AI regulatory work:

- ensuring fairness for students
- maintaining validity of qualifications
- protecting security
- maintaining public confidence
- enabling innovation

Ofqual set out its approach to regulating AI in a policy paper published in April 2024. This year, Ofqual has continued to take significant steps to support safe delivery of assessments and has worked alongside regulated awarding organisations to understand potential innovative uses. In summer 2024, the reporting of plagiarism offences was, for the first time, split into offences including and not including the misuse of AI. This was an important step to enable us to monitor misuse of AI more closely. Ofqual has also been conducting research on AI marking to better understand the opportunities, limitations, and implications of this potential use case. We have also continued our close engagement with the sector, including undertaking centre visits and gathering public perceptions on the use of AI in assessment to help inform our approach.

Developing Ofqual as an effective, expert regulator and inclusive employer

Ofqual achieves its goals through our people working effectively together and with others across the education and training system. Along with other public sector employers, we seek to balance achieving value for money with the need to recruit and retain skilled staff. We continue to make sure our people have the right skills, expertise, tools and information to achieve our corporate plan objectives, enabling us to make the best use of our resources. The research activities outlined above also continue to enrich Ofqual's expertise and understanding of qualifications and assessments.

Civil Service People Survey 2024

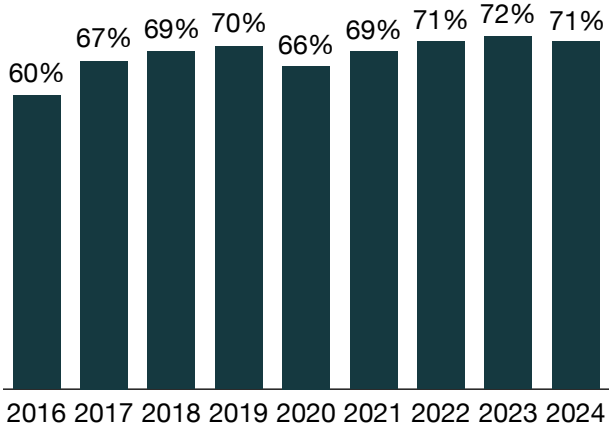
Ofqual takes part in the annual Civil Service People Survey. The survey looks at civil servants' attitudes to and experience of working in government departments.

The annual Civil Service People Survey ran from 10 September 2024, through to 8 October 2024 with 88% of the organisation responding. This response rate placed us in joint 8th position out of the 108 organisations taking part.

The Employee Engagement Index (EEI) captures how staff feel about Ofqual. Ofqual's EEI was 71% this year, down 1 percentage point from last year. The benchmark score for the whole Civil Service was 64%.

The results showed positive improvements across a range of themes and highlighted that Ofqual had the joint 12th highest engagement score across the 108 participating organisations, with the joint 5th highest score for inclusion and fair treatment.

Ofqual Results in Civil Service People Survey Engagement Index



Our technology

In line with our digital data and technology strategy, Ofqual continues to transform, iterate, and improve the technology that underpins our regulatory processes and intelligence, and that enables our people to work effectively and efficiently.

We have continued to focus on ensuring our digital services and technology work well for the people who use them, in doing so we have engaged with wider, cross government, initiatives including Service assessments to benchmark and improve our ways of working to improve the services we develop.

We have begun to review and plan improvements to our digital technology landscape to ensure that our technology is fit for our future needs, sustainable, and good value for money. This work will set the vision and roadmap for Ofqual's technology and Digital and Data Strategy for the next three years, and into the future.

Work continues to identify opportunities to exploit AI, to improve our efficiency and effectiveness. As part of this, we are proactively exploring and assessing relevant tools to understand the productivity benefits and value for money that they offer. This work has been guided by the HMG Generative AI Framework and AI Playbook for UK government.

Memorandums of Understanding

Ofqual published a new Memorandum of Understanding (MOU) with UCAS in December 2024. We also published an updated MOU with The Standards and Testing Agency (STA) We are working with the Department for Education to agree a new Framework Document to replace the existing MoU.

Forward look for 2025

Ofqual published a new strategy in May for the period 2025 to 2028. Our role over this strategic period is to steward the qualifications system, taking a whole system, long-term, proactive approach to our work. Our focus is on the benefits provided to students and to economic growth.

Over this Ofqual Strategy 2025 to 2028, we will deliver 5 objectives:

- Steward– secure the safe, fair and resilient delivery of qualifications and assessments
- Innovate – oversee the improvement and reform of qualifications and assessments
- Strengthen – strengthen the performance, capacity and resilience of the market
- Engage – build confidence in qualifications
- Develop – develop the skills, processes and systems needed for effective and efficient regulation

In 2025, this will include ongoing activity, detailed in this report, to continue to secure the safe and fair delivery of qualifications and assessment and to maintain standards including through reform and innovation. We will also continue and build on our broad programme of research, and engagement to build understanding and trust in qualifications and to inform wider discussion on education.

Managing our resources

Estate

Ofqual operates across England from a central base in Coventry. In April 2024, Ofqual moved to no. 1 Friargate in central Coventry, under an occupancy agreement with the Government Property Agency (GPA) saving £250,000 a year in rent and associated charges.

Public enquiries

During 2024 to 2025, we received 1,704 written enquiries and 3,095 telephone calls, of which 1,236 were answered by a call handler and 1,859 were answered by Interactive Voice Response (IVR).

We aim to respond to written enquiries within 3 working days. In 2024 to 2025, we responded to 98.8% of written enquiries within that timeframe.

Whistleblowing disclosures

Ofqual is designated as a prescribed person for whistleblowing and workers can contact Ofqual about matters in relation to which we exercise functions under the Apprenticeships, Skills, Children and Learning Act 2009. The Prescribed Persons (Reports on Disclosures of Information) Regulations 2017 (the Regulations) require prescribed persons to produce an annual report on whistleblowing disclosures made to them by workers. This reporting period is for the period 1 April 2024 to 31 March 2025.

Ofqual received 104 whistleblowing disclosures during the reporting period which we considered were 'qualifying disclosures' and which concerned matters in relation to which we exercise functions under the Act. Ofqual closed 108 allegations: 55 were referred to, or already in contact with, awarding organisations for further action, for 23 no evidence was found to substantiate the claims, 21 were logged as intelligence and formed part of our ongoing monitoring of awarding organisations, 6 were referred to another body for investigation, 3 were investigated by Ofqual.

Ofqual has an objective to maintain standards and confidence in regulated qualifications. The disclosures received have provided us with information and intelligence to ensure that standards in regulated qualifications are maintained and allowed us to discharge our statutory obligations.

Ofqual did not receive notice of any whistleblowing disclosures during the past year which related to Ofqual.

Complaints

Complaints about Ofqual

The types of complaints received under our 'Complaints about Ofqual' policy are generally about aspects of the service we have provided or about the work we do. Ofqual received 46 complaints about Ofqual in the reporting period. Four of these complaints were upheld or partially upheld during the reporting period.

Where a complainant is unhappy with the outcome of their complaint, they can request an internal review. Two internal review investigations were requested during this period, both of which were not accepted as they did not meet the criteria.

Complaints to the Parliamentary Ombudsman

No cases were accepted for investigation by the Parliamentary and Health Service Ombudsman during 2024 to 2025.

Complaints about awarding organisations

We also consider complaints about an exam board, awarding organisation or qualification regulated by Ofqual.

Overall, we handled 616 new complaints. Where there are indications of non-compliance, we classify our outcome as either 'upheld' or 'partly upheld'. We upheld or partly upheld 18 complaints about awarding organisations during the year.

Where complaints are upheld or partly upheld, Ofqual considers whether any further regulatory action is needed.

Where a complainant is unhappy with the outcome of their complaint, they can request an internal review. We received 7 requests for an internal review, but none were accepted as they did not meet the criteria. No internal review investigations were undertaken during this period.

During the reporting period, we provided a final response within 40 days in 94% of cases. The average number of days to close a complaint was 7 days.

Statutory equalities reporting

As a public body, Ofqual is required under the Equality Act 2010 to meet the Public Sector Equality Duty (PSED) both as an employer and a regulator. This means Ofqual must give due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between those who share a relevant protected characteristic and those who do not.

Ofqual is required under The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 (SI 2017/353) to publish one or more equality objectives at least every 4 years and to publish annually a report explaining how we meet the PSED.

Ofqual also has a duty under the Apprenticeships, Skills, Children and Learning Act 2009 (the ASCL Act) to have regard to the reasonable requirements of students and apprentices who take regulated qualifications and national assessments, including those with special educational needs and disabilities (SEND). Ofqual must consider its equality duties alongside its other statutory objectives, including to maintain qualification and assessment standards. Ofqual's work to achieve our equality objectives for 2023 to 2025, as well as our broader work towards the PSED, is set out in this report. This is because Ofqual has embedded fairness and equality, diversity and inclusion into our strategy and work programme.

Financial review

Funding for 2024 to 2025 was originally agreed at the 2022 to 2025 Spending Review (SR21) and updated at Phase 1 of the 2025 Spending Review. Ofqual's budget for the financial year 2024 to 2025 was £31.330 million (£31.502 million in 2023 to 2024), including capital funding of £450,000 for the development of our digital infrastructure and £282,000 in relation to an increase in the dilapidations provision for the office lease at Friargate, Coventry in accordance with IFRS16 Leases.

Net operating expenditure for the year, including capital investment, was £31.24 million (£33.19 million in 2023 to 2024), giving an outturn that was £93,000 (0.3%) under budget.

Ofqual has remained within the spending limits for both RDEL (Resource Departmental Expenditure Limit) and CDEL (Capital Departmental Expenditure Limit). CAME (Capital Annually Managed Expenditure) was also requested at Supplementary Estimates to cover the increase in the dilapidations provision for the offices at Friargate of £310,000. This was offset by the release of the dilapidations provision for Earlsdon Park of £29,000 resulting in a net increase in CAME of £282,000.

Staff costs for the year were higher than in 2023 to 2024 partly due to an increase in employer pension costs as a result of moving to a single contribution rate. As a percentage staff costs are 81% of total expenditure (76% in 2023 to 2024). Contract and agency staff accounted for 0.7% of staffing costs during the year (1% in 2023 to 2024) to manage capacity while permanent staff were recruited and to cover long term sickness.

Ofqual recorded £805,000 income from fines in 2024 to 2025 (nil: 2023 to 2024) of which £500,000 was cash received in 2024 to 2025. The balance was still to be received at year end. Fines are not retained by Ofqual, and so the income in 2024 to 2025 was returned to HM Treasury. Cost recovery of £25,000 was retained by Ofqual in the financial year.

The spending limits are referred to as control totals, authorised through the Parliamentary vote process. The control totals relate to specific elements of the resource budget including income, and to capital and annually managed expenditure, as detailed in the Statement of Outturn against Parliamentary Supply.

Departmental data reporting tables

Operationally, Ofqual is required to deliver its objectives within 3 financial targets as agreed with HM Treasury. These are set out in Table 2, which illustrates financial performance for the period 2020 to 2021 through to 2025 to 2026 compared with Resource Departmental Expenditure Limit (RDEL), Capital DEL (CDEL) and Annually Managed Expenditure (AME).

The table shows that 97.7% of Ofqual's expenditure is incurred through its RDEL (91.6% in 2023 to 2024).

Table 2 – Annual Expenditure Trend

	2020 to 2021 Outturn £000	2021 to 2022 Outturn £000	2022 to 2023 Outturn £000	2023 to 2024 Outturn £000	2024 to 2025 Outturn £000	2025 to 2026 Planned £000
Consumption of resources:						
Regulation of qualifications	21,939	24,772	28,376	30,391	30,506	31,424
Total RDEL	**21,939**	**24,772**	**28,376**	**30,391**	**30,506**	**31,424**
Resource AME:						
Regulation of qualifications	–	–	–	–	–	–
Total resource	**21,939**	**24,772**	**28,376**	**30,391**	**30,506**	**31,424**
Total CDEL	**772**	**397**	**640**	**2,800**	**449**	**450**
Capital AME:	**–**	**–**	**–**	**–**	**282**	**–**
Total public spending	**22,711**	**25,169**	**29,016**	**33,191**	**31,237**	**31,874**

Parliament provides the legal authority to incur expenditure through the Estimates and Supply procedure. Parliament grants statutory authority both to consume resources and to draw cash from the Consolidated Fund to pay for resources consumed by an annual Appropriation Act and the Consolidated Fund Act.

Ofqual's annual expenditure is classified as either programme or administration for the purposes of Central Government Accounting, as defined in accounting note 1.2.5. Table 3 demonstrates that 21% of resource expenditure was incurred through the Administration classification in 2024 to 2025 (50% in 2023 to 2024). This sharp decrease is due to a thorough review of the categorisation of revenue expenditure conducted during the year to bring it in line with the guidance provided in the 2024 to 2025 Consolidated Budget Guidance (2025 CBG), resulting in clearer delineation of costs between Programme and Administration budgets more accurately reflecting the way they are actually incurred.

Table 3 – Programme and administration resource expenditure

	2020 to 2021 Outturn £000	2021 to 2022 Outturn £000	2022 to 2023 Outturn £000	2023 to 2024 Outturn £000	2024 to 2025 Outturn £000	2025 to 2026 Planned £000
Programme:						
Expenditure						
Pay	4,076	5,855	8,636	11,599	20,505	21,111
Other expenditure	3,072	3,712	3,992	3,782	3,671	4,424
Total expenditure	**7,148**	**9,567**	**12,628**	**15,381**	**24,176**	**25,535**
Income	–	–	–	(51)	(25)	–
Total net programme expenditure	**7,148**	**9,567**	**12,628**	**15,330**	**24,151**	**25,535**
Administration:						
Expenditure						
Pay	12,057	12,221	12,135	11,443	4,333	5,163
Other expenditure	2,809	3,157	3,696	3,681	2,073	780
Total expenditure	**14,866**	**15,378**	**15,831**	**15,124**	**6,406**	**5,943**
Income	(75)	(173)	(83)	(63)	(51)	(54)
Total net administration expenditure	**14,791**	**15,205**	**15,748**	**15,061**	**6,355**	**5,889**
Total resource expenditure	**21,939**	**24,772**	**28,376**	**30,391**	**30,506**	**31,424**

Programme pay and other expenditure increased in 2023 to 2024 due to work to deliver reform of vocational and technical qualifications as the scope of Ofqual's reform work expands. A thorough review of the categorisation of revenue expenditure was conducted during the year to bring it in line with the guidance provided in the 2024 to 2025 Consolidated Budget Guidance (2025 CBG). This resulted in clearer delineation of costs between Programme and Administration budgets more accurately reflecting the way they are actually incurred, hence the sharp increase in Programme costs and corresponding decrease in Administration costs in 2024 to 2025.

Long-term expenditure trends

Table 4 shows expenditure on Ofqual's role in major qualifications reforms.

The vocational and technical qualifications reform outturn for 2024 to 2025 covered the same areas of expenditure as 2023 to 2024 including delivery of reforms to apprenticeships, T Levels, higher technical qualifications (HTQs), Digital Functional Skills, review of qualifications at level 3 and below, strengthening performance table qualifications and the review of digital functional skills qualifications. Planned expenditure for 2025 to 2026 does not include HTQs and Digital Functional skills but does include the Technical Evaluation project which is part of the reform to apprenticeships. The long-term financial impact of our apprenticeship regulation work has been incorporated into our base budget. Further information on each programme can be found earlier in the performance analysis section of the performance report.

Table 4 – Expenditure on qualifications reform

	2020 to 2021 Outturn £000	2021 to 2022 Outturn £000	2022 to 2023 Outturn £000	2023 to 2024 Outturn £000	2024 to 2025 Outturn £000	2025 to 2026 Planned £000
General Qualifications	–	–	–	–	–	–
Vocational and technical qualifications	4,149	5,535	5,084	6,536	6,551	6,676
Total qualifications reform	**4,149**	**5,535**	**5,084**	**6,536**	**6,551**	**6,676**

Payment of suppliers

The government is committed to paying 90% of undisputed and valid invoices from small and medium-sized enterprises within 5 days, and 100% of all undisputed and valid invoices within 30 days. During the year Ofqual paid 91% of all invoices within 5 days (100% in 2023 to 2024), and 100% of all invoices within 30 days (100% in 2023 to 2024). In 2024 to 2025, no interest was payable under the Late Payment of Commercial Debts (Interest) Act 1998 (nil in 2023 to 2024).

Sustainability

In the corporate plan 2022 to 2025 Ofqual committed to achieve value for public money by ensuring our priorities are delivered efficiently and by making the best use of our resources.

Procuring sustainable products and services

Ofqual uses procurement frameworks from public sector buying organisations and utilises the Crown Commercial Service where appropriate. This enables Ofqual to benefit from prices negotiated for government and to benefit from contract terms which consider environmental sustainability.

Since 2021, Ofqual has taken account of organisations' social values in the award of contracts and has included this as an explicit evaluation criterion, where relevant and proportionate, as per the 2012 Public Services (Social Value) Act.

Adapting to climate change and promoting resource efficiency

As a tenant of the GPA, Ofqual relies on the GPA's expertise and timely information to reduce the environmental impact of its main place of work. In 2022 Ofqual's headcount brought it into the scope of the Greening Government Commitments, and data is reported to the DfE, which aggregates data for education group departments, agencies and arms-length bodies.

To minimise physical waste, Ofqual has appointed a third party to re-use and recycle IT equipment. Surplus furniture or office equipment is offered for re-use by other government bodies or donated to local not-for-profit organisations as was the case when Ofqual relocated in April 2024.

Ofqual uses cloud-based services. This reduces energy demand while also improving resilience. To further reduce its environmental impact, Ofqual only uses recycled paper from sustainable sources and encourages a think-before-you-print culture. Data on Ofqual's waste is monitored to support reduction of consumption of non-recyclable materials. Dedicated bins are used to separate types of waste including non-recyclable. Confidential waste is collected and upon the satisfactory completion of the destruction process, 100% of material is recycled.

Energy consumption

In 2024 to 2025 Ofqual relocated to a new office building and occupied 1 floor of a multi-tenanted office building. However, there is no data from GPA to measure/calculate Ofqual's share of Scope 1 GHG for the office. These include boilers, air conditioning units and any vehicle fleets. We are in discussions with respect to data collections with GPA and we anticipate being able to measure/calculate Ofqual's share in future years.

The GPA manages nature recovery and biodiversity action planning as part of its wider estate management initiatives.

Table 5 – Energy, waste and water

	2020 to 2021	2021 to 2022	2022 to 2023	2023 to 2024	2024 to 2025
Total carbon (metric tonnes)	**	3.4	1.77*	3.11	Full year data not available
Electricity (kWh)	301,681	273,402	317,724	320,548	Full year data not available
Electricity (tCO_2)	67.98*	61.61	71.60	72.24	Full year data not available
Gas (kWh)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Gas (tCO_2)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Water (m^3)	645	720.08	157	377	Full year data not available
Waste (tonnes)	12	13	19	10.5	Full year data not available

Ofqual relies on 3rd party data which is subject to correction. Full year data for 2024 to 2025 is not available at this time.

* Figure recalculated as error identified in previous calculation.

** data not available

Table 6 – Business travel costs

Ofqual does not own a vehicle fleet and encourages staff to use public transport whenever possible.

	2020 to 2021 £	2021 to 2022 £	2022 to 2023 £	2023 to 2024 £	2024 to 2025 £
Rail	1,294	18,882	54,147	78,826	75,129
Hotel	2,102	8,084	46,346	39,987	45,141
Mileage	424	2,545	8,911	9,548	9,591
Air and ferry	200	—	2,502	4,937	6,978
Total business travel costs	**4,020**	**29,511**	**111,906**	**133,298**	**136,839**

From 2023 to 2024 Ofqual is required to provide additional disclosures in accordance with the Financial Reporting Manual (FReM), as part of the Task Force on Climate-related Financial Disclosures (TCFD) framework:

TCFD Compliance Statement

Ofqual has reported on climate-related financial disclosures consistent with HM Treasury's TCFD-aligned disclosure application guidance, which interprets and adapts the framework for the UK public sector and has therefore complied with the TCFD recommendations and recommendations disclosures around:

- Governance – recommended disclosures (a) and (b)
- Risk Management – recommended disclosures
- Metrics and Targets – recommended disclosures (b)

This is in line with the central government's TCFD-aligned disclosure implementation timetable for Phase 2. Ofqual plans to provide recommended disclosures for Strategy in future reporting periods, where appropriate, in line with the central government implementation timetable.

Governance

The Executive Director, Finance and Operations takes responsibility for evaluating the sustainability and environmental impact of Ofqual's operations. In turn, the ED Finance and Operations ensures that strategic and major operational decisions with a material sustainability risk or impact are escalated to the Executive Committee to provide assurance and appropriate recommendations to the Accounting Officer. Where appropriate such matters are reported or brought for approval to the Board (including relevant subcommittees). The size and nature of Ofqual's operations are such that decisions with a material impact on sustainability are limited in number. At the start of the year 2024 to 2025 Ofqual relocated to new premises at 1 Friargate which had been through Executive Team and Board approval processes, including consideration of sustainability related issues.

Risk Management

The Executive Team is responsible for identifying and assessing climate-related risks through a comprehensive risk management process as part of Ofqual's corporate strategy. This is achieved by way of an annual horizon scanning activity that identifies, and analyses contextual risk intelligence obtained from a wide range of sources, including the UK Government's National Risk Register, and categorises them according to broad themes. Each of these contextual risk themes is then assessed using the risk scoring criteria in our Risk Management Framework (RMF).

During the year 2024 to 2025, the Executive team considered disruptive natural events affecting UK regions, and their potential impact on the delivery of assessments, to represent a Moderate risk to the achievement of Ofqual's objectives. The types of event that were considered as part of this assessment included:

- The frequency and severity of extreme weather events
- Outbreaks of serious infectious disease
- Changing social demographics influenced by climate-change related migration

In accordance with the RMF, all risks recorded within Ofqual's risk registers are assigned a Target rating by the risk owner. This Target rating represents an acceptable level of risk, taking into account the availability of resources and our ability to influence uncertainty

surrounding the risk. Our Target rating for disruptive incident risks, such as those caused by climate-related events, is set at Moderate which means that this type of risk is assessed currently as being within tolerance.

Within the taxonomy that Ofqual uses to categorise risks within our risk register, climate is not identified as a principal risk.

Metrics and Targets

Ofqual only relocated to the new office building in 2024 to 2025, with that year serving as the baseline (Year 0) for re-benchmarking. As such, there is currently insufficient data available, making it inappropriate to set targets based on historical performance. We are in discussions with respect to data collections with GPA and we anticipate being able to set appropriate targets in future years.

Data relating to carbon emissions is included in Table 5 above.

Basis of accounts

The accounts for the year ending 31 March 2025 have been prepared under a direction issued by HM Treasury in accordance with the Government Resources and Accounts Act 2000. Ofqual was the sole entity within the departmental accounting boundary during 2024 to 2025 and is not responsible for any bodies outside the departmental accounting boundary.

In common with other government departments, funding for Ofqual will be met by future Grants of Supply to be approved annually by Parliament. During the year the first phase of the 2025 Spending Review (SR25) delivered a settlement that recognised the important role Ofqual continues to play in delivering government objectives. Ofqual's settlement from His Majesty's Treasury for SR25 Phase 2 (RDEL: £29.5m per annum between 2026 to 2027 and 2028 to 2029) will enable continued delivery of its statutory and key strategic objectives over the period covered. It is therefore considered appropriate to adopt a going concern basis for the preparation of these financial statements.

Ofqual's going concern policy is explained further in note 1, section 1.2.1.

Pension liabilities

Ofqual's employees are covered by the provisions of the Civil Service Pension Scheme. Information on pension entitlements is provided in the remuneration report section. Information on pension liabilities is provided in the financial statements section of this report.

Events after the reporting period

There have been no events after the reporting period that require an adjustment to the financial statements, nor any non-adjusting events to be reported.

Auditor

The Government Resources and Accounts Act 2000 appointed the Comptroller and Auditor General (C&AG) as Ofqual's auditor. He has charged a fee of £129,500 for the audit in 2024 to 2025. There were no non-audit services provided by the C&AG.

Sir Ian Bauckham CBE
Chief Regulator and Accounting Officer
4 July 2025

Accountability report

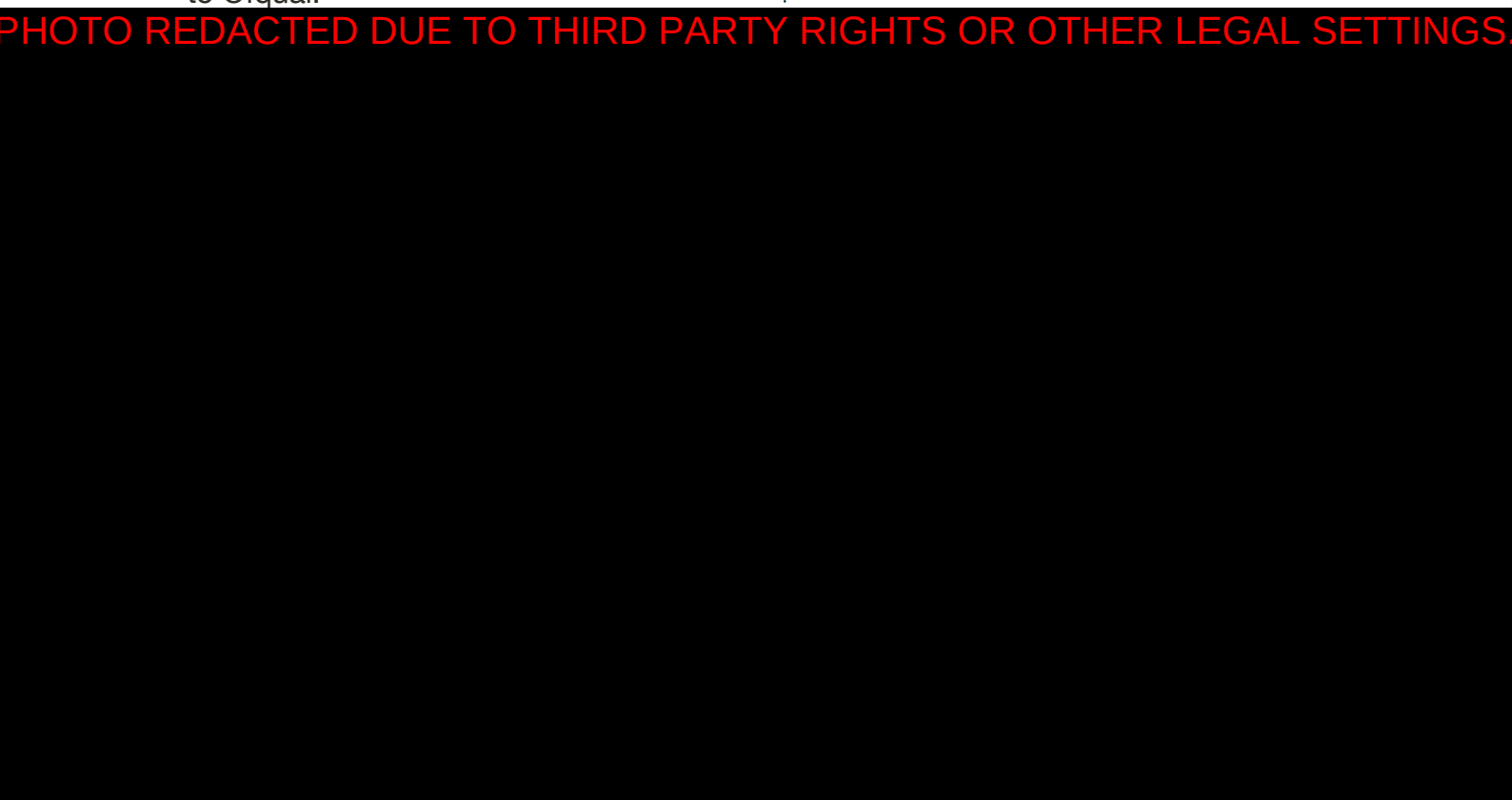
The accountability report contains the following 3 sections:

- corporate governance report
- remuneration and staff report
- parliamentary accountability and audit report

The corporate governance report is divided into 3 parts: the directors' report, the statement of Accounting Officer's responsibilities, and the governance statement. The report explains the composition and organisation of Ofqual's governance structures and how they support the achievement of our objectives. It includes information regarding Ofqual's directors and their significant interests, confirms the Accounting Officer's responsibilities and how they have been assured, and outlines Ofqual's governance framework, including the board's committee structure, its attendance, and coverage of its work. The report also assesses the risks to Ofqual.

The remuneration and staff report sets out Ofqual's remuneration policy for directors, reports on how that policy has been implemented and sets out the amounts awarded to directors and the link between performance and remuneration. It includes information on the cost and composition of staff and related activities.

The parliamentary accountability and audit report brings together the key parliamentary accountability documents within the Annual Report and Accounts. It comprises the Statement of Outturn against Parliamentary Supply and supporting notes regarding the financial outturn and information on costs, regularity of expenditure, parliamentary accountability disclosures, and the Certificate and Report of the Comptroller and Auditor General to the House of Commons.



Corporate governance report

Directors' report

The Executive Team at 31 March 2025 comprised:

Sir Ian Bauckham CBE
Chief Regulator

Michael Hanton
Deputy Chief Regulator

David Bowden
Executive Director
Finance and Operations

Daniel Gutteridge
General Counsel

Catherine Large OBE
Executive Director Vocational and Technical Qualifications

Dr Ian Stockford
Executive Director for Standards

Tom Bramley
Executive Director
Research and Analysis

Amanda Swann
Executive Director,
General Qualifications

Matt Trimmer
Executive Director, Strategy

The directorships and other significant interests of all who were members of the Executive Team in 2024 to 2025 are shown in Table 7.

Table 7 Executive Team directorships and other significant interests

Name	Directorships and other significant interests in 2024 to 2025
Sir Ian Bauckham CBE	Chair, Oak National Academy
Michael Hanton	Director of Institute of Regulation (unpaid)
David Bowden	Nothing to declare
Daniel Gutteridge	Director, Better Futures Multi-Academy Trust Ltd Chair of Audit and Risk Committee of BFMAT
Catherine Large	Nothing to declare
Ian Stockford	Nothing to declare
Tom Bramley	Nothing to declare
Amanda Swann	Nothing to declare
Matt Trimmer	Nothing to declare

Board members

The Ofqual Board at 31 March 2025 was:

Dr Susan Tranter
Chair

Susan Barratt

Sir Ian Bauckham CBE
(Chief Regulator)

Hardip Begol CBE
General Counsel

Mark Farrar

Cindy Leslie

Dr Catherine McClellan

Chris Paterson

Clare Pelham

Matt Tee

Frances Wadsworth CBE

The appointment dates, directorships and other significant interests of all who were members of the Board in 2024 to 2025 are shown in Table 8 below.

Table 8 – Board member appointments, directorships, memberships of directing bodies and other significant interests

Name	Date of appointment	Term of appointment, including extensions and departures	Employment details, directorships, memberships of directing bodies and other significant interests in 2024 to 2025
Susan Barratt	1 September 2019	Three years until 31 August 2022 as Ordinary Member Three year re-appointment as Ordinary Member from 01 September 2022 – 31 August 2025	Trustee, Nuffield Oxford Hospitals Fund Trustee, Eastleigh Youth & Community Trust (and director of wholly owned subsidiary) Trustee, Lime Walk Methodist Church Trustee, Oxford methodist Circuit Member of Management Committee, Great Milton Community Pub Ltd Independent Member, Audit & Risk Assurance Committee, Ministry of Housing, Communities and Local Government Independent Chair of the Group Audit & Risk Committee for the Lampton Group (trading company for London Borough of Hounslow) Independent Member, Audit & Risk Assurance Committee, Climate Change Committee (as from 01 November 2024) Trustee and Treasurer of Oxford Winter Night Shelter (from 30 April 2025)
Sir Ian Bauckham	1 March 2018	Appointed interim Chief Regulator at Ofqual on 1 January 2024 Appointed Chief Regulator at Ofqual on 06 February 2025	Chair, Oak National Academy

Name	Date of appointment	Term of appointment, including extensions and departures	Employment details, directorships, memberships of directing bodies and other significant interests in 2024 to 2025
Hardip Begol CBE	1 July 2022	Three years until 30 June 2025 as Ordinary Member	Non-Executive Director, The Centre for Education and Youth (CIC) (until April 2024) Member, The Eden Academy Trust Director, 104 Pepys Road Management Ltd Non-Executive Director, Oak National Academy (from 1 January 2024) Trustee, Education Policy Institute (as from May 2024) Member of Strategic Advisory Board, Observatory for Mathematical Education, University of Nottingham (as from 2024) Member, International Ministerial Advisory Panel on Curriculum and Assessment for Northern Ireland (as from January 2025)
Mark Farrar	1 July 2022	Three years until 30 June 2025 as Ordinary Member	Board Trustee and Director of WorldSkills UK Director, Nipper Skipper Limited (Dormant company)

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Name	Date of appointment	Term of appointment, including extensions and departures	Employment details, directorships, memberships of directing bodies and other significant interests in 2024 to 2025
Cindy Leslie	1 July 2022	Three years until 30 June 2025 as Ordinary Member	Trustee, Non-Executive Director, Chair of The Audit Committee, Birkbeck College Non-executive Director, Architects Registration Board Trustee and Non-Executive Director of the Royal College of Psychiatrists Trustee, Non-Executive Director and Vice Chair, Gardeners' Royal Benevolent Society Warden, Worshipful Company of Gardeners Member of Fitness to Practice Panels, Health & Care Professions Council Trustee, Surrey Hills International Music Festival Trustee, Worshipful Company of Gardeners of London Charity
Dr Catherine McClellan	1 June 2023	Three years until 31 May 2026	Member, Measurement Advisory Group, Australian Curriculum, Assessment and Reporting Authority Member, advisory board of the Centre for Learning Analytics at Monash University (CoLAM) Principal Scientist/Owner, Clowder Consulting Interim Board Member, Commonwealth Research Centre proposal team 'AI for LIFE' (from May 2024) Enterprise Fellow, University of Melbourne (from 28 November 2024) Consultant contract with City & Guilds complete strategic planning for entry into license to practice market in the UK and nationally. Planning is for qualifications not in the Ofqual-regulated market

Name	Date of appointment	Term of appointment, including extensions and departures	Employment details, directorships, memberships of directing bodies and other significant interests in 2024 to 2025
Eileen Milner	1 July 2022	Three years until 30 June 2025 as Ordinary Member Resigned 31 August 2024	Director, Bradford Children & Families Trust Director, EIRMA Limited Director, Cambridge University Health Partners Chair of the Cambridgeshire and Peterborough NHS Foundation Trust Advisory Board Member for Capita PLC
Chris Paterson	1 July 2022	Three years until 30 June 2025 as Ordinary Member	Director of Impact, Education Endowment Foundation (to 31 July 2024) Co-CEO, Education Endowment Foundation (from 01 August 2024) Director, Ormiston Academies Trust
Clare Pelham	1 July 2022	Three years until 30 June 2025 as Ordinary Member	Chief Executive of the Epilepsy Society Governor, Birmingham City University Member of MHRA Expert Working Group on Sodium Valproate
Matt Tee	1 September 2019	Three years until 31 August 2022 as Ordinary Member Three year reappointment as Ordinary Member from 1 September 2022 to 31 August 2025	Executive Director of Communications and Engagement, NHS Kent and Medway (until December 2024) Independent Consultant (from January 2025)
Dr Susan Tranter Chair	1 January 2025	Appointed as Chair of Ofqual Board for three years until 31 December 2027	CEO of EdAct Trustee of Orchestra of the Age of Enlightenment Member of Ofsted Reference Group Member of Child Safeguarding Practice Review Panel

Name	Date of appointment	Term of appointment, including extensions and departures	Employment details, directorships, memberships of directing bodies and other significant interests in 2024 to 2025
Frances Wadsworth CBE Deputy Chair (until 31 December 2023) Appointed interim Chair from 1 January 2024 – 31 December 2024)	1 April 2017	Three years until 31 March 2020 as Ordinary Member Nine-month extension until 31 December 2020 Two year reappointment as Ordinary Member 1 April 2020 to 31 March 2022 Six-month extension from 1 April 2022 to 30 September 2022 Three year re-appointment as Ordinary Member from 1 October 2022 to 30 September 2025	Lay Advisor, Thames Valley Area Magistracy Deputy FE Commissioner

Personal data-related incidents reported to the Information Commissioner's Office

There have been no incidents to report to the Information Commissioner's Office during the year.

Summary of other personal data-related incidents

There have been 21 non-reportable incidents during this period. The Audit and Risk Assurance Committee (ARAC) received 4 reports in the year to provide assurance on the process and actions taken against themes identified.
All incidents were resolved and appropriate controls were put in place where necessary.

Recruitment

The requirements of the Constitutional Reform and Governance Act which states that selection for recruitment to the Civil Service must be on merit on the basis of fair and open competition underpins Ofqual's recruitment practices.

In 2024 to 2025 an average of 361 whole-time equivalent staff were employed (344 in 2023 to 2024).
In addition, there has been an average of 3 agency members of staff to cover vacancies, maternity leave and long-term sick leave (5 in 2023 to 2024) with 2 employed as of 31 March 2025.

Ofqual continues to be recognised as a Disability Confident employer, having achieved accreditation at level 2 in February 2020.

Sir Ian Bauckham CBE
Chief Regulator and Accounting Officer
4 July 2025

Statement of Accounting Officer's responsibilities

Under the Resources and Accounts Act 2000, HM Treasury has directed Ofqual to prepare for each financial year resource accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the department during the year. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Ofqual and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual (FReM) and in particular to:

- observe the accounts direction issued by HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts
- prepare the accounts on a going concern basis
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable

HM Treasury has appointed the Chief Regulator as Accounting Officer of Ofqual. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding Ofqual's assets, are set out in Managing Public Money published by HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that Ofqual's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware. I can confirm that the annual report and accounts as a whole are fair, balanced and understandable. I take personal responsibility for the judgements required to ensure this.

Sir Ian Bauckham CBE
Chief Regulator and Accounting Officer
4 July 2025

Governance statement

Scope of responsibility

As Accounting Officer, the Chief Regulator is responsible for maintaining a sound system of internal control that supports the achievement of Ofqual's policies, aims and objectives, while safeguarding the public funds and our assets for which they are personally responsible, in accordance with the responsibilities assigned in Managing Public Money. This governance statement describes how these duties have been carried out by the Accounting Officer and the supporting structure in the 2024 to 2025 financial year.

Overview

The Ofqual Board is the legal authority responsible for the regulation of qualifications, exams and assessments. The board provides leadership and direction, setting our strategic aims, values and standards. Its work is governed by the Ofqual Governance Framework. The Chief Regulator has delegated authority from the Board to undertake certain statutory functions. The Chief Regulator calls upon Ofqual's executive team to advise as required in the discharge of those functions. Further details about the members and activities of the Board, its sub-committees and the executive team are provided in the detailed paragraphs below.

Ofqual Board

Ofqual adheres to the Corporate Governance Code for central government bodies, and central standards of good governance practice for government boards where appropriate.

During 2024 to 2025 the Board consisted of a Chair, between 8 and 9 ordinary members and the Chief Regulator. Ordinary members are appointed by the Secretary of State for Education and hold and vacate office in accordance with the terms of their appointment. Board members may be reappointed as their terms expire, but there is no automatic right to this. Ofqual runs a thorough induction programme for new Board members.

Board membership and terms of appointment are detailed in Board member appointments, directorships and other significant interests in the directors' report. Information about the committees on which Board members served is provided in Table 9.

Table 9 – Board members and the committees on which they served in 2024 to 2025 including percentage attendance

Name	Board 4 meetings	Audit & Risk Assurance Committee 4 meetings	People, Resources & Finance Committee 4 meetings	Technical Committee 2 meetings	Strategic Enforcement Committee 1 meeting
Susan Barratt	100%	—	100%*	—	100%
Sir Ian Bauckham CBE Chief Regulator	100%*	—	—	100%	100%
Hardip Begol CBE Appointed to ARAC 01 September 2024 Appointed Chair of Technical Committee 05 August 2024	100%	100%	—	100%*	100%
Mark Farrar	100%	—	100%	—	—
Cindy Leslie	100%	100%*	—	—	100%
Dr Catherine McClellan	100%	—	—	100%	—
Eileen Milner (Resigned 31 August 2024)	100% (1 out of 1)	100% (1 out of 1)	—	—	—
Chris Paterson	100%	—	—	—	100%*
Clare Pelham	100%	—	100%	—	100%
Matt Tee	100%	100%	—	—	100%
Dr Susan Tranter Appointed Chair 01 January 2025	100% (1 out of 1)	—	—	—	—
Frances Wadsworth CBE Appointed interim Chair 1 January 2024 – 31 December 2024	100%	—	—	—	100%

* Denotes Chair of committee

The Chief Regulator, Sir Ian Bauckham, attended 4 of the 4 ARAC meetings held during 2024 to 2025. The Chair of the Board is not a member of ARAC or the People, Resources & Finance Committee (PRF), but can be specifically invited to join the meetings. During the year, 2 ARAC meetings and 1 PRF committee were attended by the Chair.

Executive directors are invited to attend all Board meetings and relevant committee meetings. Each committee reports on its work at the Board meeting following the committee meeting.

Board and committee members are required to declare potential conflicts of interest on appointment and at the

beginning of each meeting they attend. They must confirm annually that the register of their interests is up to date. Where actual or potential conflicts of interests are identified, board members take no part in any discussion and are not involved in any decisions that relate to those interests. The register of interests is open to the public, and requests for information may be made in writing addressed to the Board secretary. The appointments, directorships and other significant interests of Board members are in Table 8.

Committees of the board

During 2024 to 2025, there were 4 Committees of the Board.

The Audit and Risk Assurance Committee (ARAC) provides advice and assurance to the Board, including the Chief Regulator as Accounting Officer, on the adequacy and effectiveness of internal controls, risk management processes, security and governance arrangements, and ensuring value for money. It also oversees internal and external audit arrangements covering both financial and non-financial systems. During 2024 to 2025 ARAC received regular reports from Ofqual's Security Advisor, reviewed the findings of internal audit reports on a range of operational areas, which are shown in Table 10, and considered the Annual Value for Money report. Each ARAC meeting includes a selection of deep dives into the risks currently held on the Strategic Risk Register which support ARAC's role of providing assurance to the Board on the adequacy of risk management at Ofqual.

The People, Resources and Finance Committee supports the Board with its responsibilities in relation to human resources (including equality, diversity and inclusion), finance, information technology and asset management. In 2024 to 2025, it received key metrics on financial and people resources, reviewed the budget and management accounts, considered the Annual Value for Money report, reviewed the SR25 submission and received the results of the Civil Service People Survey 2024. The committee also received regular reports on digital, data and technology.

The Technical Committee provides technical and strategic advice in relation to the development of policy and technical proposals for regulated qualifications and the regulated qualifications market. In 2024 to 2025, the Committee agreed the high-level assessment proposals that Ofqual should consult publicly on for the newly proposed GCSE in natural history. Work was subsequently paused prior to the general election. Having considered a number of high-level assessment proposals in 2023 in relation to GCSE British Sign Language, the Committee considered further detailed proposals for public consultation during this reporting period on what regulatory conditions, requirements and guidance should be put in place.

The first meeting of the newly established Strategic Enforcement Committee was held. The Committee discussed proposed policy changes to the Taking Regulatory Action policy, providing thorough scrutiny prior to the Board being invited to confirm consultation proposals. Members of the Strategic Enforcement Committee are called upon to constitute an Enforcement Panel should the Chief Regulator consider regulatory action is required. During 2024 to 2025, Enforcement Panels were convened to consider regulatory action in respect of NCFE, Qualification for Industry (QFI), British Safety Council (BSC), Pearson and ProQual.

Management control activities

The Chief Regulator has delegated responsibility from the Board for leading the organisation on a day-to-day basis. The Chief Regulator determines which duties are discharged through members of the executive team individually

through line management arrangements, and which are discharged collectively through the Executive Team and Strategic Delivery Review (SDR). Management control is governed by the Executive Team. Financial approval is delegated through the Scheme of Financial Delegation, which is published in the Standing Financial Instructions.

Executive Team

The Executive Team comprises the Chief Regulator, Deputy Chief Regulator, the executive directors and General Counsel. Details of the executive directors that served on the Executive Team in 2024 to 2025 are provided in the directors' report.

The Executive Team provides advice to the Chief Regulator in the executive decision making delegated to him in the Ofqual governance framework.

The agenda includes the regular review of strategic risks, setting and monitoring delivery against organisational priorities, and other topics for strategic discussion, direction setting or decision making.

The Executive Team reviews key organisational performance indicators, including finance, legal, information technology, regulatory compliance and strategic human resources matters on a monthly basis.

Risk management

Our risk and internal control framework

Ofqual's Risk Management Framework supports our compliance with the 5 principles set out in HM Treasury's Orange Book. Through the application of this framework, risk management forms an integral part of Ofqual's governance, leadership, and decision-making. The Framework defines our approach to risk identification, assessment, review and reporting and describes the internal processes we employ to put the 5 principles into practice.

Ofqual's risk management function sits within the Strategy Directorate. This central risk team is suitably resourced with sufficient seniority and influence to meet our business needs, supporting the management of strategic and directorate-level risks through a business partnering model delivered through collaboration with colleagues within each directorate. Members of the risk team are supported in their development through learning and networking opportunities within the Civil Service and the wider risk management profession, so that they are able to continually learn and adapt Ofqual's approach to meet different challenges as they emerge.

Our risk registers are held centrally in a dedicated risk management system that has been configured to the requirements of our Risk Management Framework. Ofqual's Strategic Risk Register is managed by the Executive Team and reported to the Board. Additionally, each Ofqual directorate has their own risk register, which are owned by the respective Executive Directors with each risk delegated to an appropriate senior manager. Our risk management process facilitates the escalation and delegation of risks between the strategic and directorate level as and when appropriate. This approach enables decisions that are taken in respect of our regulatory priorities and business activities to be managed at the most appropriate level.

Risk-based decision making is an integral component of our corporate strategy, business plans, and annual budget. We make use of the PESTLE (Political, Economic, Social, Technological, Legislative, Environmental) model of horizon scanning to identify potentially significant changes anticipated over the next 5 years which could impact on the delivery of our objectives. The results of this analysis are fed into the development and review of our corporate strategy.

We manage our risks in line with tolerance thresholds set by the Board for each strategic risk. At directorate-level we use categories such as those described in the Orange Book to inform our risk tolerance. The Board, supported by the Audit and Risk Assurance Committee (ARAC), monitors and scrutinises the effectiveness of our risk management framework in accordance with its Terms of Reference. The ARAC receives regular quarterly reports from the Executive Team on strategic risks, including 'deep dive' reviews that enable committee members to scrutinise the effectiveness of existing risk controls and mitigation plans for the most significant risks to the achievement of our objectives.

Managing risks to our objectives

Management of the most significant risks to the achievement of our objectives is overseen by the Executive Team and reported to the Board through the Strategic Risk Register.

Amongst the strategic risks we have managed throughout 2024 to 2025, and continue to manage, are those that relate to the delivery of our statutory objectives as a regulator. These include risks to the maintenance of standards in General Qualifications (GQs), Vocational and Technical Qualifications (VTQs) and National Assessments (NAs), where we use our assessment expertise and regulatory capabilities to mitigate risks to standards so that the public can take confidence that qualifications are designed and delivered to meet the needs of employers and other qualification users.

The potential for disruption to the annual delivery of GCSEs, A levels and high-stakes VTQs has remained a significant risk on our Strategic Risk Register throughout the year. We have prioritised our work on resilience and contingency arrangements within the system and carried out learning exercises to test the suitability of our own crisis response and business continuity plans.

Ofqual has continued to contribute to the government's review and reform of vocational and technical qualifications and subsequently of curriculum and assessment. As new information has emerged regarding specific government priorities, we have re-evaluated and re-framed our risk assessments and mitigations so that they remain effective and proportionate to anticipated challenges. We have engaged closely with awarding organisations, users of qualifications and other stakeholders to understand the nature and scope of risks associated with proposed reforms, so that we can put in place appropriate controls.

We recognise that there are both threats and opportunities associated with the rapid pace of technological developments in education and qualifications. We have focussed our risk management approach on the range of possible impacts arising from growth in the use of artificial intelligence (AI) by both awarding organisations and learners, and the increased opportunity for on-screen assessments (OSAs).

Throughout 2024 to 2025, we also kept under regular review strategic risks associated with the potential for sustained commentary on our regulatory activity to affect public confidence in the qualifications system; budgetary and workforce challenges to the delivery of our core business activities; and threats to our cyber security.

Our focus for 2025 to 2026

We keep our Risk Management Framework under routine review, taking into account feedback received from the ARAC, Executive Team, relevant internal audit activities and directorate management.

During the year ahead we will continue to mature our risk management culture and enhance our processes through planned improvement activity that includes:

- Updating our Risk Management Framework to align with the most recent version of the HMT Orange Book.
- Implementing agreed actions to strengthen our strategic risk management, following an internal review in 2024 to 2025.
- Developing our use of data analysis to provide early warning indicators of potential changes in significant strategic risks

Internal audit and the effectiveness of the internal controls framework

The Audit and Risk Assurance Committee agreed the 2024 to 2025 internal audit plan on 06 March 2024. The plan encompassed securing assurance on a range of regulatory and corporate areas of work. The individual audits for 2024 to 2025 and their ratings are provided in Table 10 below.

Table 10 – Internal Audit Report ratings

Audit title	Report rating	No of actions raised (priority)	No of actions closed (priority)	No of actions still in progress (priority)*
Staff Wellbeing Arrangements	Substantial	2 (Low)	2 (Low)	—
HR Controls – Capacity & Capability	Substantial	—	—	—
IT Security Framework	Reasonable	2 (Medium)	1 (Medium)	1 (Medium)
Complaints Processes	Reasonable	2 (Medium) 3 (Low)	2 (Medium) 3 (Low)	—
Finance System Migration	Substantial	1 (Low)	1 (Low)	—
VTQ AO Oversight Arrangements	Reasonable	6 (Low)	—	6 (Low)
Fraud Risk Assessment	Advisory	2 (High) 11 (Medium) 9 (Low)	—	2 (High) 11 (Medium) 9 (Low)

* As at 31 March 2025. The outstanding action on IT Security Framework was completed in April 2025.

Accounting Officer system statement

As Accounting Officer of Ofqual, the Chief Regulator is personally responsible for safeguarding the public funds for which they have been given charge in the Ofqual Estimate. To support the Accounting Officer in discharging their responsibilities, the Ofqual Governance Framework sets out the scheme of delegation under which we operate.

For the 12 months ended 31 March 2025, the head of internal audit's opinion for Ofqual was that "the organisation has an adequate and effective framework for risk management, governance and internal control". However, the internal auditors "identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective".

As well as the opinion provided to the Accounting Officer by our internal auditor, each executive director and appropriate directors and associate directors has been required to review the controls that they have in place to manage governance, risk and control arrangements and to report by way of written assurance at the end of the financial year that these

controls were effective. This supplements the regular reporting to the Executive Team on the stewardship of finances and risks. These letters of assurance support the preparation of this governance statement. No control failures or additional risks have been identified from these letters of assurance.

As Accounting Officer, I am accountable for ensuring compliance with Government Functional Standards in Ofqual. I am assured that Ofqual has a high level of compliance with the required and recommended elements of each relevant standard. A plan is in place to comply with the remaining elements of each relevant standard in a way that meets business needs and priorities so that the standards are embedded into directorate business plans going forward.

All the evidence that supports this governance statement has been considered and I am assured, as Accounting Officer, that Ofqual has strong governance, risk and internal control arrangements that support the delivery of our aims and objectives.

Sir Ian Bauckham CBE
Chief Regulator and Accounting Officer
4 July 2025

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Remuneration and staff report

Remuneration report

Ofqual is a non-ministerial government department with no ministerial remuneration to report.

The chair and other non-executive Board members are appointed by the Secretary of State for Education for renewable terms of not more than 5 years. The King-in-Council, on the advice of the Secretary of State for Education, appoints the Chief Regulator, including the Interim Chief Regulator, for a fixed term.

All other permanent staff are civil servants, appointed in accordance with the Civil Service Recruitment Code, which requires appointments to be made on merit on the basis of fair and open competition, except in specified circumstances. Unless otherwise stated, the staff covered by this report hold Civil Service appointments.

Further information about the work of the Civil Service Commission is available on its website.

The Chief Regulator, Board members and directors are covered by the Civil Service Management Code, and potential and actual conflicts of interest are managed in accordance with this code. The directors' report includes a list of the directorships and other significant interests held by these individuals. Ofqual maintains a register of interests that is open to the public and accessible by written request for information addressed to the Board Secretary.

In accordance with the Cabinet Office guidance document, 'Declaration and management of outside interests', the relevant interests of all Ofqual Senior Civil Servants (SCS) have been declared for this reporting period. In accordance with the guidance, the data to be reported for this period is as follows:

Name of SCS	Role (in the department)	Outside employment
First name and surname	Job title and Grade	Name of company and job title
Matthew Humphrey	Director of Legal Moderation and Enforcement, SCS1	Deputy District Judge, Midlands Circuit

Directors are paid in accordance with the Civil Service pay structure. Any change to directors' remuneration for the current and future years will reflect the work and recommendations of the Senior Salaries Review Body.

Remuneration (including salary and benefits in kind)

This section is subject to audit.

Tables 11 and 12 show the gross salary and other taxable allowances for Ofqual's Board members and senior executives. Full-year salary equivalents for those who served part of the year are shown in brackets.

Table 11 – Salary of Board members for year ending 31 March 2025

Board Members (all figures in £'000)	Salary 2024 to 2025	Salary 2023 to 2024
Dr Susan Tranter	10-15 (55-60)	—
Sir Ian Bauckham CBE	—	40-45 (55-60)
Frances Wadsworth CBE	40-45	15-20 (55-60)
Susan Barratt	5-10	5-10
Matt Tee	5-10	5-10
Dr Catherine McClellan	5-10	5-10
Hardip Begol CBE	5-10	5-10
Mark Farrar	5-10	5-10
Claire Pelham	5-10	5-10
Cindy Leslie	5-10	5-10
Chris Paterson	5-10	5-10
Eileen Milner	0-5 (5-10)	5-10

The Chief Regulator is also a member of the board. Details of the Chief Regulator's and senior executives' remuneration during 2024 to 2025 are provided in Table 12.

Sir Ian Bauckham was chair to 31 December 2023, became Interim Chief Regulator from 1 January 2024 (0.9WTE) and was appointed Chief Regulator from 6 February 2025 (1WTE).

Frances Wadsworth CBE was interim chair for 1 January 2024 to 31 Dec 2024 (FYE is £50k-£55k) and as a board member for 1 Jan 2025 onwards (FYE is £5k-£10k).

The new chair, Dr Susan Tranter, was appointed from 1 January 2025.

Eileen Milner resigned on 31 August 2024.

Table 12 – Salary of senior executives for year ending 31 March 2025

Senior Executive	Salary 2024 to 2025 £000	Salary 2023 to 2024 £000	Performance Pay 2024 to 2025	Performance Pay 2023 to 2024	Pension Benefits 2024 to 2025 £000	Pension Benefits 2023 to 2024 £000	Total 2024 to 2025 £000	Total 2023 to 2024 £000
Sir Ian Bauckham CBE Interim Chief Regulator from 1 January 2024 and appointed Chief Regulator from 6 February 2025	165-170* (175-180)	40-45* (175-180)	—	0-5	5-10	—	175-180	40-45*
Michael Hanton Deputy Chief Regulator	120-125	120-125	0-5	0-5	45-50	45-50	170-175	165-170
David Bowden Executive Director Finance and Operations	135-140*	130-135*	0-5	0-5	50-55	45-50	185-190	180-185
Ian Stockford Executive Director, Standards, Research and Analysis	115-120	115-120	0-5	0-5	45-50	65-70	160-165	190-195
Matt Trimmer Executive Director Strategy and Communications from 20 September 2023	115-120	55-60 (110-115)	0-5	0-5	45-50	20-25	160-165	80-85
Catherine Large Executive Director, Vocational and Technical Qualifications	120-125	115-120	0-5	0-5	45-50	45-50	165-170	160-165
Amanda Swann Executive Director, General Qualifications from 10 October 23	105-110	45-50 (100-105)	0-5	0-5	40-45	15-20	145-150	65-70

Senior Executive	Salary 2024 to 2025 £000	Salary 2023 to 2024 £000	Performance Pay 2024 to 2025	Performance Pay 2023 to 2024	Pension Benefits 2024 to 2025 £000	Pension Benefits 2023 to 2024 £000	Total 2024 to 2025 £000	Total 2023 to 2024 £000
Daniel Gutteridge General Counsel	110-115	100-105	0-5	0-5	35-40	35-40	150-155	140-145
Tom Bramley Executive Director, Research and Analysis from 9 May 2024	85-90 (95-100)	—	0-5	—	35-40	—	125-130	—
Dr Jo Saxton Chief Regulator from 18 September 2021 to 31 December 2023	—	130-135* (175-180)	—	—	—	40-45	—	170-175
Cath Jadhav Executive Director, Standards, Research and Analysis from 12 August 2021 to 30 June 2023	—	30-35 (105-110)	—	-	—	10-15	—	40-45

* Sir Ian Bauckham includes travel allowance of £25k-£30k. Mr Bowden includes travel allowance of £5k-£10k. The allowances are the same for both years. Dr Jo Saxton includes travel allowance of £20k-£25k. The non-consolidated performance payment received by all eligible staff in 2024 to 2025 was £625.

Salaries are shown as **actual in-year costs** and **Annual Full Year Equivalent (FYE) in brackets**.

Pension benefits

This section is subject to audit.

The information for the increases in pension, total accrued pension and cash equivalent transfer value (CETV) is provided by My Civil Service Pensions (MyCSP) in accordance with calculations and in the format determined by MyCSP and the Cabinet Office.

Non-executive Board appointments are non-pensionable, so Board members other than the Chief Regulator are excluded from this table.

Table 13 – Pension benefits of senior executives for year ending 31 March 2025

Senior Executive	Accrued pension at pension age at 31 March 2025 and related lump sum £000	Real increase in pension and related lump sum at pension age £000	CETV at 31 March 2025 £000	CETV at 31 March 2024 £000	Real Increase in CETV £000
Sir Ian Bauckham CBE	0-5	0-2.5	10	0	8
Michael Hanton	20-25	2.5-5	305	250	25
David Bowden	15-20	2.5-5	238	181	32
Ian Stockford	20-25	2.5-5	267	215	26
Catherine Large OBE	20-25	2.5-5	291	237	25
Amanda Swan	0-5	0-2.5	49	15	25
Matt Trimmer	0-5	2.5-5	50	16	24
Daniel Gutteridge	20-25	0-2.5	284	233	25
Tom Bramley	0-5	0-2.5	31	0	24

Fair pay in the public sector

This section is subject to audit.

Reporting bodies are required to disclose the relationship between the midpoint of the banded remuneration of the highest-paid director in their organisation and the remuneration of the organisation's workforce. The median pay ratio for the relevant financial year is consistent with the pay, reward and progression policies for the entity's employees taken as a whole.

Table 14 – Highest paid director and lower quartile, median, and upper quartile ratio for 2024 to 2025

	25th percentile pay	Median pay	75th percentile pay
Ratio for remuneration of highest paid director and remuneration of workforce	2024 to 2025: 4.9:1 2023 to 2024: 5.1:1	2024 to 2025: 4.0:1 2023 to 2024: 4.2:1	2024 to 2025: 3.1:1 2023 to 2024: 3.4:1
Workforce Salary £	2024 to 2025: 35,443 2023 to 2024: 34,401	2024 to 2025: 44,111 2023 to 2024: 42,010	2024 to 2025: 56,305 2023 to 2024: 52,092
Total Workforce Remuneration £	2024 to 2025: 36,015 2023 to 2024: 34,679	2024 to 2025: 44,736 2023 to 2024: 42,325	2024 to 2025: 56,930 2023 to 2024: 52,407

The banded remuneration of the highest-paid director in Ofqual on 31 March 2025 was £175,000 to £180,000 (2023 to 2024: £175,000 to £180,000) annual equivalent salary. This was 4.0 times the median remuneration of the workforce, which was £44,736 (2023 to 2024: 4.2 times, £42,325).

In 2024 to 2025 no employees received remuneration in excess of the highest-paid director (2023 to 2024: nil). Full-time equivalent remuneration ranged from £6,000 to £180,000 in the financial year (2023 to 2024: £6,000 to £180,000). The range starts at £6,000 due to payments made to the non-executive directors. For permanent employees the range starts at £21,547 (2023 to 2024 £20,085). The average employees' salary in 2024 to 2025 is £50,929 (2023 to 2024: £48,686), an increase of 4.6% from the previous year.

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the CETV of pensions.

Cash equivalent transfer values

A cash equivalent transfer value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme, or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement that the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not

include the increase in accrued pension due to inflation or contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Compensation for loss of office

This section is subject to audit.

No compensation for loss of office was paid to senior members of staff included in the remuneration report in 2024 to 2025 (2023 to 2024: nil). Exit payments to other staff are included in Table 18 on reporting of Civil Service and other compensation schemes – exit packages.

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. Before 1 April 2015, the only scheme was the Principal Civil Service Pension Scheme (PCSPS), which is divided into a few different sections – classic, premium, and classic plus provide benefits on a final salary basis, whilst nuvos provides benefits on a career average basis. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis. All newly appointed civil servants, and the majority of those already in service, joined the new scheme.

The PCSPS and alpha are unfunded statutory schemes. Employees and employers make contributions (employee contributions range between 4.6% and 8.05%, depending on salary). The balance of the cost of benefits in payment is met by monies voted by Parliament each year. Pensions in payment are increased annually in line with the Pensions Increase legislation. Instead of the defined benefit arrangements, employees may opt for a defined contribution pension with an employer contribution, the partnership pension account.

In alpha, pension builds up at a rate of 2.32% of pensionable earnings each year, and the total amount accrued is adjusted annually in line with a rate set by HM Treasury. Members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004. All members who switched to alpha from the PCSPS had their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha.

The accrued pensions shown in this report are the pension the member is entitled to receive when they reach normal pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over normal pension age. Normal pension age is 60 for members of classic, premium, and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. The pension figures in this report show pension earned in PCSPS or alpha – as appropriate. Where a member has benefits in both the PCSPS and alpha, the figures show the combined value of their benefits in the 2 schemes but note that the constituent parts of that pension may be payable from different ages.

When the government introduced new public service pension schemes in 2015, there were transitional arrangements which treated existing scheme members differently based on their age. Older members of the PCSPS remained in that scheme, rather than moving to alpha. In 2018, the Court of Appeal found that the transitional arrangements in the public service pension schemes unlawfully discriminated against younger members (the "McCloud judgment").

As a result, steps are being taken to remedy those 2015 reforms, making the pension scheme provisions fair to all members. The Public Service Pensions Remedy is made up of 2 parts. The first

part closed the PCSPS on 31 March 2022, with all active members becoming members of alpha from 1 April 2022. The second part removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022, by moving the membership of eligible members during this period back into the PCSPS on 1 October 2023.

The accrued pension benefits, Cash Equivalent Transfer Value and single total figure of remuneration reported for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the PCSPS for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the PCSPS for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the alpha scheme for the period from 1 April 2015 to 31 March 2022

The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Master trust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute but, where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk

For 2024 to 2025, employers' contributions of £4.92 million were payable to the scheme (2023 to 2024: £4.31 million) at a single rate of 28.97% (2023 to 2024: 4 rates ranging from 26.6% to 30.3%) of pensionable pay, based on salary bands.

The Scheme Actuary reviews employer contributions usually every 4 years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2024 to 2025 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employers' contributions of £33,792 (2023 to 2024: £32,166) were paid to one of the panel of appointed stakeholder pension providers. Contributions due to the partnership pension providers at the reporting period date were £5,555 (2023 to 2024: £8,537). Contributions prepaid at that date were nil.

There was one ill-health retirement of £12,000 during the year funded by Ofqual (2023 to 2024: nil)

Staff report

The following section is subject to audit.

Staff costs excluding secondments for 2024 to 2025 were £24.92 million (£23.04 million in 2023 to 2024) of which £164,000 (£232,000 in 2023 to 2024) related to agency staff. Two staff were seconded to other departments in 2024 to 2025 totalling £78,000 (nil: 2023 to 2024), therefore staff costs including secondments for 2024 to 2025 were £24.84 million (£23.04 million in 2023 to 2024). Further details are shown in Note 3 of the accounts.

Table 15 – Staff Costs

Cost type	2024 to 2025 Permanently employed staff £000	2024 to 2025 Others £000	2024 to 2025 Total staff costs £000	2023 to 2024 Total staff costs £000
Wages and salaries	17,784	164	17,948	16,829
Social security costs	2,011	0	2,011	1,875
Other pension costs	4,957	0	4,957	4,338
Sub total	**24,752**	**164**	**24,916**	**23,042**
Less recoveries in respect of outward secondments	(78)	—	(78)	—
Add payments in respect of inward secondments	—	—	—	—
Total costs	**24,674**	**164**	**24,838**	**23,042**

Of which:	Charged to Administration budgets £000	Charged to Programme budgets £000	Charged to capital budgets £000	2024 to 2025 Total staff costs £000
Total costs	**4,333**	**20,505**	**—**	**24,838**

The tables below include both permanent and fixed term contract (FTC) staff. FTC staff provide cover for substantive posts and new short-term posts funded from project resources. Table 16 shows the average number of whole time equivalent (WTE) staff that were employed during the year.

Table 16 – Average number of persons employed

Activity	2024 to 2025 Permanently employed staff WTE	2024 to 2025 Others WTE	2024 to 2025 Total persons employed WTE	2023 to 2024 Total persons employed WTE
Resource activities	360.5	1.2	**361.7**	**343.7**
Capital activities	—	—	**—**	**—**
Total	360.5	1.2	**361.7**	**343.7**
Of which core department	360.5	1.2	**361.7**	**343.7**
Total	360.5	1.2	**361.7**	**343.7**

The following section is not subject to audit.

The average headcount for the year is shown in Table 17, including by pay band for senior civil servants.

Table 17 – Average headcount employed

Pay band	2024 to 2025 Headcount	2023 to 2024 Headcount
Senior Civil Service Payband 3	1	1
Senior Civil Service Payband 2	4	4
Senior Civil Service Payband 1	16	14
Total Senior Civil Servants	**21**	**19**
Civil Servants – other grades	351	343
Total Civil Servants	**372**	**362**
Agency staff	3	4
Total headcount	**375**	**366**

No consultants were employed in 2024 to 2025 (nil in 2023 to 2024).

PHOTO REDACTED DUE TO THIRD PARTY RIGHTS OR OTHER LEGAL SETTINGS.

The following section is subject to audit.

Table 18 – Reporting of Civil Service & other compensation schemes – exit packages

Exit package cost band	2024 to 2025 Number of compulsory redundancies	2024 to 2025 Number of other departures agreed	2024 to 2025 Total number of exit packages by cost band	2023 to 2024 Number of compulsory redundancies	2023 to 2024 Number of other departures agreed	2023 to 2024 Total number of exit packages by cost band
<£10,000	—	—	—	—	—	—
£10,000-£25,000	—	—	—	—	—	—
£25,000-£50,000	—	1	1	—	—	—
£50,000-£100,000	—	—	—	—	—	—
£100,000-£150,000	—	—	—	—	—	—
£150,000-£200,000	—	—	-	—	—	—
Total number of exit packages	**—**	**1**	**1**	**—**	**—**	**—**
Total cost (£000)	**—**	**30**	**30**	**—**	**—**	**—**

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme (CSCS), a statutory scheme made under the Superannuation Act 1972. The table above shows the total cost of exit packages agreed and accounted for in 2024 to 2025 (2023 to 2024 comparative figures are also given). £30,000 exit costs were paid in 2024 to 2025, the year of departure (2023 to 2024: nil). Where the department has agreed early retirements, the additional costs are met by the department and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

The £30,000 payment is a special severance payment agreed with HM Treasury.

Other staff information

The following sections are not subject to audit unless otherwise stated.

Off-payroll appointments

Following the Review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23 May 2012, departments must publish information on their high paid and/or senior off-payroll engagements.

Table 19 – Off-payroll engagements at 31 March 2025, for more than £245 per day

Description	Number of engagements
Number of existing engagements at 31 March 2025	**1**
Of which:	
Number that have existed for less than one year at time of reporting	1
Number that have existed for between one and two years at time of reporting	—
Number that have existed for between two and three years at time of reporting	—
Number that have existed for between three and four years at time of reporting	—
Number that have existed for four or more years at time of reporting	—

Government departments are required to obtain assurances from individuals on contracts of more than 6 months' duration, where the annual cost is greater than £63,700, that tax due on contract payments will be paid. At 31 March 2025, all such contractors engaged by Ofqual met these conditions.

Ofqual holds contracts with the agency not the individual. The agencies are asked to seek assurances from the individuals before they are engaged by Ofqual. The agencies have provided evidence of clauses included within the agency contract with the individual stating the individual should ensure they correctly account for their tax and National Insurance liability.

Table 20 – New off-payroll engagements, or those that reached 6 months in duration, between 1 April 2024 and 31 March 2025, for more than £245 per day

Description	Number of engagements
Number of new engagements between 1 April 2025 and 31 March 2025	**2**
Of which:	
Number assessed as caught by IR35	2
Number assessed as not caught by IR35	—
Number engaged directly (via PSC contracted to department) and are on the departmental payroll	—
Number of engagements reassessed for consistency or assurance purposes during the year	—
Number of engagements that saw a change to IR35 status following the consistency review	—

Table 21 – Off-payroll engagements of Board members, and, or, senior officials, with significant financial responsibility, between 1 April 2024 and 31 March 2025

Description	Number of engagements
Number of off-payroll engagements of Board members, and, or, senior officials, with significant financial responsibility, during the financial year	–
Total number of individuals on payroll and off-payroll who have been deemed 'board members and, or, senior officials, with significant financial responsibility', during the financial year. This figure should include both on payroll and off-payroll engagements	**19**

The Trade Union Regulations 2017

The Trade Union (Facility Time Publication Requirements) Regulations 2017 requires public authorities to publish information in relation to facility time taken by trade union officials.

No employees were relevant union officials between 1 April 2024 and 31 March 2025.

Sickness absence

In 2024 to 2025, 2,675 days were lost to sickness absence (2,237 days in 2023 to 2024), representing 2.9% (2023 to 2024: 2.5%) of available staff working days. This is an average of 7.6 days per employee (6.52 days per employee in 2023 to 2024). An average of 6 staff were long-term sick (5 staff in 2023 to 2024), these accounted for 1,234 days of absence (1,041 days in 2023 to 2024)

Staff turnover

The figures below show the number of leavers within the reporting period divided by the average staff in post over the reporting period presented as a percentage.

	2024 to 2025	2023 to 2024	2022 to 2023	2021 to 2022
Ofqual turnover	10%	16%	11%	16%

Health, safety and wellbeing

Ofqual is committed to providing a safe and healthy working environment for staff. All employees have access to a confidential 24 hours a day, 7 days a week employee assistance programme and are offered the opportunity to take part in a variety of health screening and workplace wellness programmes, including mental health awareness sessions, flu vaccinations and free eyecare vouchers.

Equality, diversity and inclusion

Ofqual promotes equality for all regardless of status, including age, disability, gender status, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation. Ofqual included Equality, Diversity and Inclusion as a core element of our 2022 to 2025 People Strategy, which embeds the commitment to enable all staff to realise their potential and for Ofqual to be an organisation that represents the diversity of the qualifications community we regulate and the Midlands community where we are based. Progress of our EDI work is reported to the People, Resources and Finance Committee. The gender breakdown of staff, which includes both permanent and fixed-term contracts, at 31 March 2025 was 230 women and 128 men (236 and 118 respectively in 2023 to 2024).

Table 22 – Staff gender breakdown

Staff grade	2024 to 2025 Women	2024 to 2025 Men	2023 to 2024 Women	2023 to 2024 Men
Senior Civil Servants	6	16	5	14
Civil Servants – other grades	224	112	231	104
Total	**230**	**128**	**236**	**118**

Ofqual publishes information on the gender pay gap annually.

Table 23 – Staff profile

	2024 to 2025	2023 to 2024	2022 to 2023	2021 census England & Wales
sex:				
Female	64.2%	66.6%	63.6%	46.2%
Male	35.0%	33.4%	36.4%	53.8%
declared disability				
disabled	13.5%	14.3%	14.1%	17.8%
not declared	7.3%	7.1%	4.9%	
declared ethnicity				
ethnic minority group	21.7%	19.3%	21.3%	18.3%
undeclared	2.0%	1.7%	2.0%	
declared sexual orientation				
lesbian, gay, bisexual, other (LGBO)	4.9%	4.9%	4.5%	3.1%
declared religion:				
Christian	34.0%	33.9%	33.9%	46.2%
Buddhist	0.6%	0.0%	0.0%	0.5%
Hindu	2.8%	2.0%	2.3%	1.7%
Jewish	0.3%	0.3%	0.3%	0.5%
Muslim	5.0%	4.5%	3.2%	6.5%
Sikh	3.6%	3.1%	3.8%	0.9%
Other	1.7%	1.7%	2.3%	0.6%
undeclared	7.8%	9.6%	11.0%	6.0%
average age	43	42	42	40

Parliamentary Accountability and Audit Report

Statement of Outturn against Parliamentary Supply

In addition to the primary statements prepared under IFRS, the government FReM requires Ofqual to prepare a Statement of Outturn against Parliamentary Supply (SOPS) and supporting notes. The SOPS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the House of Commons.

The SOPS is a key accountability statement that shows, in detail, how Ofqual has spent against its Supply Estimate. Supply is the monetary provision for resource and capital purposes and cash, drawn primarily from the Consolidated Fund, that Parliament gives statutory authority for Ofqual to use. The Estimate details Supply and is voted on by Parliament at the start of the financial year.

Should Ofqual exceed the limits set by their Supply Estimate, called control totals, the accounts will receive a qualified opinion.

The format of the SOPS mirrors the Supply Estimates, published on GOV.UK, to enable comparability between what Parliament approves and the final outturn. The SOPS contains a summary table, detailing performance against the control limits that Parliament have voted on, cash spent (budgets are compiled on an accruals basis and so outturn will not exactly tie to cash spent) and administration.

The supporting notes detail the following:

- Outturn by Estimate line, providing a more detailed breakdown (Note 1)
- a reconciliation of outturn to net operating expenditure in the Statement of Comprehensive Net Expenditure (SOCNE), to tie the SOPS to the financial statements (Note 2)
- a reconciliation of net resource outturn to net cash requirement (Note 3)
- an analysis of income payable to the Consolidated Fund (Note 4)

The SOPS and Estimates are compiled against the budgeting framework, which is similar, but different, to IFRS. An understanding of the budgeting framework and an explanation of key terms is provided in the financial review section of the performance report. Further information on the Public Spending Framework and the reasons why budgeting rules are different to IFRS can also be found in chapter 1 of the Consolidated Budgeting Guidance.

The SOPS provides a detailed view of financial performance, in a form that is voted on and recognised by Parliament. The financial review section of the performance report also provides a summarised discussion of outturn against Estimate and functions as an introduction to the SOPS disclosures.

Summary table – amounts approved in accordance with Parliamentary expenditure limits

Type of spend	SOPS Note	2024 to 2025 Outturn voted £000	2024 to 2025 Outturn non-voted £000	2024 to 2025 Outturn total £000	2024 to 2025 Estimate voted £000	2024 to 2025 Estimate non-voted £000	2024 to 2025 Estimate total £000	2024 to 2025 Voted outturn compared with Estimate: saving or (excess) £000	2023 to 2024 Outturn total £000
DEL:									
Resource	1.1	30,506	—	30,506	30,598	—	30,598	92	30,391
Capital	1.2	449	—	449	450	—	450	1	2,736
Total DEL		**30,955**	**—**	**30,955**	**31,048**	**—**	**31,048**	**93**	**33,127**
AME:									—
Resource	1.1	—	—	—	—	—	—	—	—
Capital	1.2	282	—	282	282	—	282	—	64
Total AME		**282**	**—**	**282**	**282**	**—**	**282**	**—**	**64**
Total budget:									—
Resource	1.1	30,506	—	30,506	30,598	—	30,598	92	30,391
Capital	1.2	731	—	731	732	—	732	1	2,800
Total budget		**31,237**	**—**	**31,237**	**31,330**	**—**	**31,330**	**93**	**33,191**
Non-budget	**1.1**								**—**
Total budget & non-budget		**31,237**	**—**	**31,237**	**31,330**	**—**	**31,330**	**93**	**33,191**

Ofqual requests resources to undertake our statutory duties as the regulator of qualifications, exams and statutory assessments. The figures described as 'voted' in the table above are totals subject to Parliamentary control. The Supply Estimates guidance manual, contains further detail about the control limits voted by Parliament.

Explanations of variances between Estimate and Outturn are given in SOPS Note 1.1. Departmental expenditure limits cover all programme and administration costs.

The net cash requirement is the amount of cash that Ofqual requires to support expenditure. Itrexcludes non-cash items such as depreciation and notional charges.

Net cash requirement

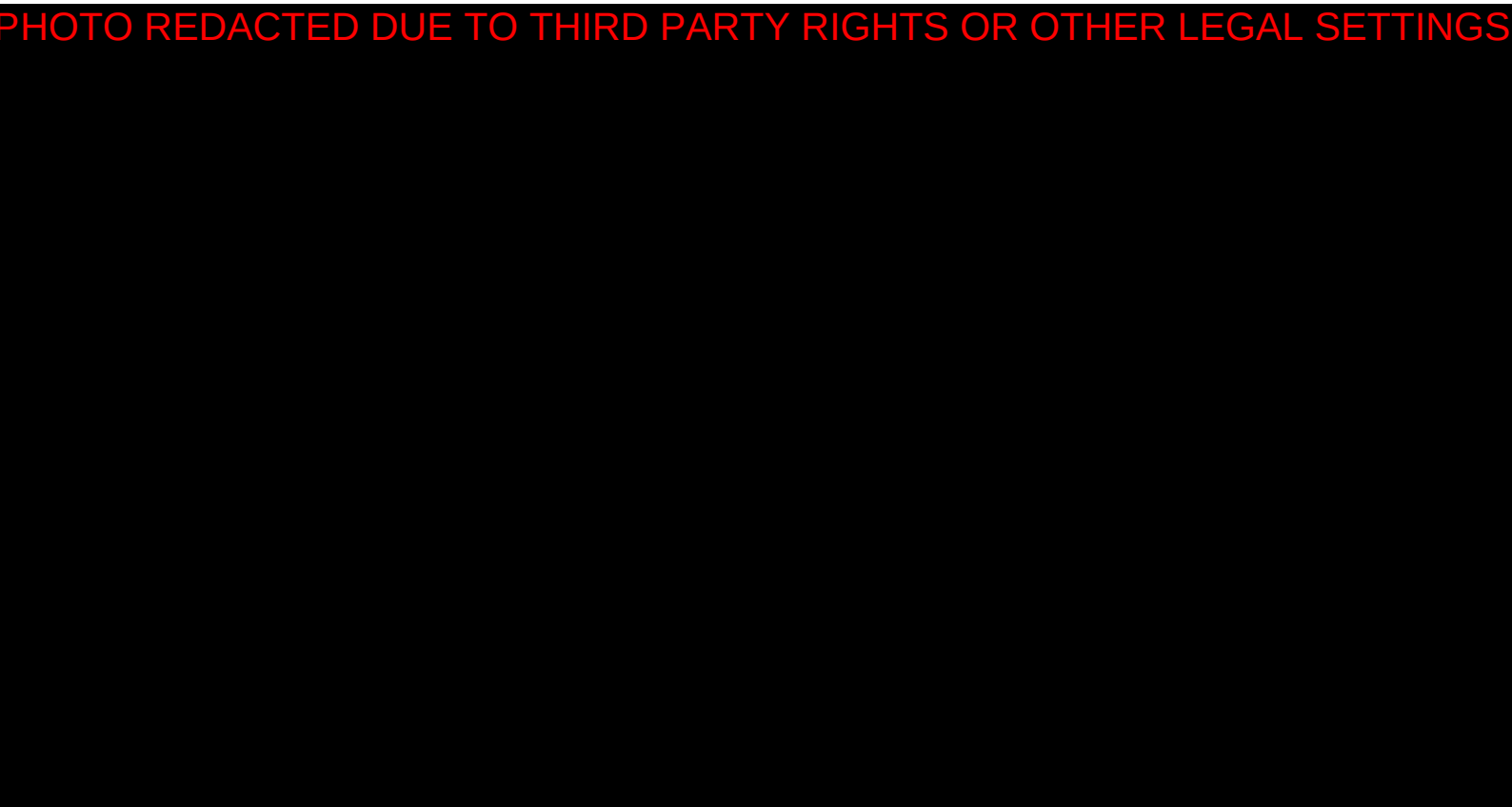
Item	SOPS note	2024 to 2025 Outturn £000	2024 to 2025 Estimate £000	2024 to 2025 Outturn compared with Estimate: saving or (excess) £000	2023 to 2024 Outturn £000
Net cash requirement	3	29,705	30,181	476	30,689

In addition, although not a separate voted limit, any breach of the administration budget will also result in an excess vote.

Administration costs

Item	SOPS note	2024 to 2025 Outturn £000	2024 to 2025 Estimate £000	2024 to 2025 Outturn compared with Estimate: saving or (excess) £000	2023 to 2024 Outturn £000
Administration costs	1.1	6,355	16,370	10,015	15,061

A thorough review of the categorisation of revenue expenditure was conducted during the year to bring it in line with the guidance provided in the 2024 to 2025 Consolidated Budget Guidance (2025 CBG). This resulted in clearer delineation of costs between Programme and Administration budgets more accurately reflecting the way they are actually incurred, hence the significant variance in the 2024 to 2025 Estimate and Outturn of £10.02 million.



Notes to the Statement of Outturn against Parliamentary Supply

SOPS Note 1: Outturn detail, by Estimate line

SOPS 1.1 Analysis of resource outturn by Estimate line

Type of spend (Resource)	2024 to 2025 Resource Outturn Admin Gross £000	2024 to 2025 Resource Outturn Admin Income £000	2024 to 2025 Resource Outturn Admin Net £000	2024 to 2025 Resource Outturn Prog Gross £000	2024 to 2025 Resource Outturn Prog Income £000	2024 to 2025 Resource Outturn Prog Net £000	2024 to 2025 Resource Outturn Total £000	2024 to 2025 Resource Estimate Total £000	2024 to 2025 Resource Outturn compared with Estimate: saving or (excess) £000	2023 to 2024 Resource Outturn Total £000
Spending in DEL – Voted										
A. Regulation of qualifications and statutory assessments	6,406	(51)	6,355	24,176	(25)	24,151	30,506	30,598	92	30,391
Spending in AME – Voted	—	—	—	—	—	—	—	—	—	—
Provision for dilapidations	—	—	—	—	—	—	—	—	—	—
Total Voted expenditure	6,406	(51)	6,355	24,176	(25)	24,151	30,506	30,598	92	30,391
Non-Voted expenditure	—	—	—	—	—	—	—	—	—	—
Total resource	**6,406**	**(51)**	**6,355**	**24,176**	**(25)**	**24,151**	**30,506**	**30,598**	**92**	**30,391**

An explanation of the outturn compared with Estimate is provided in the financial review section of the performance report.

SOPS 1.2 Analysis of capital outturn by Estimate line

Type of spend (Capital)	2024 to 2025 Capital Outturn Prog Gross £000	2024 to 2025 Capital Outturn Prog Income £000	2024 to 2025 Capital Outturn Prog Net £000	2024 to 2025 Capital Estimate Prog Net £000	2024 to 2025 Capital Outturn compared with Estimate: saving or (excess) £000	2023 to 2024 Capital Outturn Total £000
Spending in DEL – Voted	**—**	**—**	**—**	**—**	**—**	**—**
A. Regulation of qualifications and statutory assessments	449	—	449	450	1	2,736
Spending in AME – Voted	**—**	**—**	**—**	**—**	**—**	**—**
A. Regulation of qualifications and statutory assessments	282	—	282	282	—	64
Total Voted expenditure	731	—	731	732	1	2,800
Non-Voted expenditure	—	—	—	—	—	—
Total Capital	**731**	**—**	**731**	**732**	**1**	**2,800**

Annually Managed Expenditure (AME) includes the increase in the Friargate dilapidations provision (£311,000) offset by the release of the Earlsdon Park provision (£29,000). Further details can be found in Note 6 – Right of Use assets.

SOPS Note 2: Reconciliation of resource outturn to net operating expenditure

Item	SOPS Note	2024 to 2025 Outturn £000	2023 to 2024 Outturn £000
Total resource outturn	1.1	30,506	30,391
Less: Dilapidations provision release Earlsdon Park	1.2	(29)	—
Net Operating Expenditure in Consolidated Statement of Comprehensive Net Expenditure	**SOCNE**	**30,477**	**30,391**

As noted in the introduction to the SOPS above, the Estimates and outturn are compiled using the budgeting framework, which is similar to, but different from, IFRS. Therefore, this reconciliation bridges the resource outturn to net operating expenditure, linking the SOPS to the financial statements.

The £29,000 provision release relating to Earlsdon Park has been disclosed under CAME (Capital Annually Managed Expenditure) within SOPS1.2 Capital outturn instead of SOPS1.1 Resource Outturn.

SOPS Note 3: Reconciliation of net resource outturn to net cash requirement

Item	SOPS Note or Reference	2024 to 2025 Outturn £000	2024 to 2025 Estimate £000	2024 to 2025 Outturn compared with estimate: saving or (excess) £000
Resource outturn	1.1	30,506	30,598	92
Capital outturn	1.2	731	732	1
Adjustments to remove non-cash items:	—	—	—	—
Depreciation	—	(800)	(752)	48
Adjustments for provisions		(282)	(282)	—
Other non-cash items	—	(227)	(115)	112
Adjustments to reflect movements in working balances:	—	—	—	—
Increase or (decrease) in receivables	—	440	—	(440)
(Increase) or decrease in payables	—	(782)		782
Adjustments to reflect movements in leases during the year:	—	—	—	—
Lease rental payments	-	119	—	(119)
Net cash requirement	—	**29,705**	**30,181**	**476**

SOPS Note 4: Analysis of income due to the Consolidated Fund

SOPS 4.1 Analysis of income payable to the Consolidated Fund

Item	2024 to 2025 Outturn accruals Basis £000	2024 to 2025 Outturn cash basis £000	2023 to 2024 Outturn accruals Basis £000	2023 to 2024 Outturn cash basis £000
Income outside the ambit of the Estimate	—	—	—	—
Excess cash surrenderable to the Consolidated Fund	—	—	—	—
Total amount payable to the Consolidated Fund	**—**	**—**	**—**	**—**

Consolidated Fund income shown in SOPS Note 4.1 above does not include any amounts collected by Ofqual where it was acting as agent for the Consolidated Fund rather than as principal. The amounts collected as agent for the Consolidated Fund, which are otherwise excluded from the financial statements, are shown in SOPS Note 4.2 below.

SOPS 4.2 Consolidated Fund Income

Item	2024 to 2025 Outturn £000	2023 to 2024 Outturn £000
Fines and penalties	805	—
Other income	—	—
Amount payable to the Consolidated Fund	**805**	**—**
Balance held at the start of the year	—	—
Payments into the Consolidated Fund	(500)	—
Balance held on trust at the end of the year	**305**	**—**

In 2024 to 2025 Ofqual received £515,000 fines and penalties income (2023 to 2024: nil), comprising of £500,000 (2023 to 2024: nil) in monetary penalties and £15,000 (2023 to 2024: nil) cost recovery; Ofqual retained the cost recovery and paid the monetary penalty to the consolidated fund.

SoPS4.2 also includes £305,000 for fines which were imposed in 2024 to 2025, for which the cash was received after 31 March 2025. Ofqual also received £10,000 cost recovery income in relation to the fines which has been included in the SoCNE.

Parliamentary Accountability Disclosures

Losses and special payments

The following sections are subject to audit.

Losses

During 2024 to 2025, Ofqual incurred no losses above reporting threshold (nil in 2023 to 2024).

Special payments

Ofqual made one special severance payment for £30,000 during 2024 to 2025 (nil in 2023 to 2024).

Fruitless Payments

Ofqual vacated Earlsdon Park on 28 March 2024. The Earlsdon Park lease ended on 19 July 2024. As at 31 March 2025 Ofqual has a liability of £134,000 for the lease due to outstanding invoices. Ofqual will receive no benefit in return for the payments as they moved to their new offices at Friargate on 2 April 2024 and made no use of Earlsdon Park from that date.

Further fruitless payments of £127,000 in relation to landlord services and management fees of Earlsdon Park were expected to be paid in 2024 to 2025 financial year but the final invoices for Earlsdon Park were paid in April 2025.

Gifts

No gifts above reporting threshold were given during 2024 to 2025 (nil in 2023 to 2024).

Fees and charges

This section is subject to audit.

No material fees and charges income was received during 2024 to 2025 (nil in 2023 to 2024).

Remote contingent liabilities

This section is subject to audit.

In addition to contingent liabilities reported within the meaning of International Accounting Standard (IAS) 37, Ofqual also reports liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability. Ofqual has no remote contingent liabilities that require disclosure under Parliamentary Reporting requirements.

Sir Ian Bauckham CBE
Chief Regulator and Accounting Officer
4 July 2025

The Certificate of the Comptroller and Auditor General to the House of Commons

Opinion on financial statements

I certify that I have audited the financial statements of the Office of Qualifications and Examinations Regulation ('Ofqual') for the year ended 31 March 2025 under the Government Resources and Accounts Act 2000.

The financial statements comprise Ofqual's:

- Statement of Financial Position as at 31 March 2025;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of Ofqual's affairs as at 31 March 2025 and its comprehensive net expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2025 and shows that those totals have not been exceeded; and
- the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of Ofqual in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that Ofqual's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Ofqual's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for Ofqual is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other information

The other information comprises information included in the Annual Report but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of Ofqual and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by Ofqual or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within Ofqual from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view, in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- assessing Ofqual's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by Ofqual will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

My objectives are to obtain reasonable assurance about whether the financial

statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations, including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of Ofqual's accounting policies and key performance indicators.
- inquired of management, Ofqual's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Ofqual's policies and procedures on:
    - identifying, evaluating and complying with laws and regulations;
    - detecting and responding to the risks of fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including Ofqual's controls relating to Ofqual's compliance with the Government Resources and Accounts Act 2000 and Managing Public Money;
- inquired of management, Ofqual's head of internal audit and those charged with governance whether:
    - they were aware of any instances of non-compliance with laws and regulations;
    - they had knowledge of any actual, suspected, or alleged fraud,
    - discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within Ofqual for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals, complex transactions, bias in management estimates and preparation of the Statement of Outturn against Parliamentary Supply. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of Ofqual's framework of authority and other legal and regulatory frameworks in which Ofqual operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had

a fundamental effect on the operations of Ofqual. The key laws and regulations I considered in this context included Government Resources and Accounts Act 2000, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2024, employment law, pensions legislation, tax legislation and the Apprenticeship, Skills, Children and Learning Act 2009.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board; and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain appropriate evidence sufficient to give reasonable assurance that the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement.

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9S

10 July 2025

The financial statements

The notes following the financial statements form part of these accounts.

Statement of comprehensive net expenditure

For the year ended 31 March 2025

All income and expenditure relates to continuing operations and is consumed on an accruals basis.

Item	Note	2024 to 2025 £000	2023 to 2024 represented £000
Other operating income	5	(76)	(114)
Total operating income	**—**	**(76)**	**(114)**
Staff costs	3	24,838	23,042
Purchase of goods and services	4	3,263	4,327
Depreciation and amortisation	6, 7, 8	800	897
Other operating expenditure	4	1,681	2,239
Release of unused provision	14	(29)	—
Total operating expenditure	**—**	**30,553**	**30,505**
Net operating expenditure	**—**	**30,477**	**30,391**
Net expenditure for the year	**—**	**30,477**	**30,391**
Other comprehensive net expenditure	—	—	—
Comprehensive net expenditure for the year	**—**	**30,477**	**30,391**

Statement of financial position

As at 31 March 2025

This statement presents the financial position of Ofqual at the end of the financial year. It comprises 3 main components: assets owned or controlled, liabilities owed to other bodies, and equity, the remaining value of the entity.

Item	Note	31 March 2025 £000	31 March 2024 £000
Non-Current Assets:	—	—	—
Property, plant and equipment	7	344	396
Right of use assets	6	2,286	2,234
Intangible assets	8	947	989
Total non-current assets	—	**3,577**	**3,619**
Current assets:	—	—	—
Trade and other receivables	10	866	426
Cash and cash equivalents	9	476	1
Total current assets	—	**1,342**	**427**
Total assets	—	**4,919**	**4,046**
Current liabilities	—		
Trade and other payables	11	(3,174)	(1,917)
Provisions	14	-	(29)
Lease Liability	12	(291)	(279)
Total current liabilities	—	**(3,465)**	**(2,225)**
Total assets less current liabilities	—	**1,454**	**1,821**
Non-current liabilities	—	—	—
Provisions	14	(375)	(64)
Lease Liability	12	(2,020)	(2,056)
Total non-current liabilities	—	**(2,395)**	**(2,120)**
Total assets less total liabilities	—	**(941)**	**(299)**
Taxpayers' equity and other reserves:	—		
General Fund	—	(941)	(299)
Total equity	—	**(941)**	**(299)**

Sir Ian Bauckham CBE
Chief Regulator and Accounting Officer
4 July 2025

Statement of Cash Flows

For year ended 31 March 2025

The Statement of Cash Flows shows the changes in cash and cash equivalents of Ofqual during the reporting period. The statement shows how Ofqual generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by Ofqual. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to Ofqual's future public service delivery.

Item	Note	2024 to 2025 £000	2023 to 2024 £000
Cash flows from operating activities:	—	**—**	**—**
Net operating expenditure	SoCNE	(30,477)	(30,391)
Adjustment for non-cash transactions	4	1,028	1,014
(Increase) or decrease in trade and other receivables	10	(440)	(80)
Increase or (decrease) in trade and other payables	11	1,257	(411)
Release of unused provisions	15	(29)	—
Less movements in payables relating to items not passing through the SOCNE	—	(475)	29
other	—	(1)	5
Net cash inflow or (outflow) from operating activities	**—**	**(29,137)**	**(29,834)**
Cashflows from investing activities:			
Purchase of property, plant and equipment	7	(124)	(263)
Purchase of intangible assets	9	(325)	(284)
Net cash inflow or (outflow) from investing activities	—	**(449)**	**(547)**
Cash flows from financing activities:			
Payment of lease liabilities	12	(119)	(307)
From the Consolidated Fund (Supply) – current year	—	30,180	30,659
Net financing	**—**	**30,061**	**30,352**
Net increase or (decrease) in cash and cash equivalents in the period (no adjustments are required for payments to the Consolidated Fund)	**—**	**475**	**(29)**
Cash and cash equivalents at the start of the period	9	1	30
Cash and cash equivalents at the end of the period	9	476	1

Statement of changes in taxpayers' equity

For year ended 31 March 2025

Item	Note	General fund £000	Total reserves £000
Balance at 31 March 2023	**—**	**(701)**	**(701)**
Net Parliamentary funding drawn down	—	30,659	30,659
Net Parliamentary funding deemed supply	—	30	30
Comprehensive net expenditure for the year	SOCNE	(30,391)	(30,391)
Auditor's remuneration	4	105	105
Supply payable adjustment	—	(1)	(1)
Consolidated Fund Extra Receipts payable to the Consolidated Fund	—	—	—
Balance at 31 March 2024	**—**	**(299)**	**(299)**
Net Parliamentary funding drawn down	—	30,180	30,180
Net Parliamentary funding deemed supply	—	1	1
Comprehensive net expenditure for the year	SOCNE	(30,477)	(30,477)
Auditor's remuneration	4	130	130
Supply payable adjustment	—	(476)	(476)
Consolidated Fund Extra Receipts payable to the Consolidated Fund	—	—	—
Balance at 31 March 2025	**—**	**(941)**	**(941)**

Notes to the financial statements

Note 1 – Statement of accounting policies

These financial statements have been prepared in accordance with the 2024 to 2025 government FReM issued by HM Treasury. The accounting policies contained in the FReM apply IFRS as adapted or interpreted for the public sector. Where the FReM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of Ofqual for the purpose of giving a true and fair view has been selected. The particular policies adopted by Ofqual are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

In addition to the primary statements prepared under IFRS, the FReM also requires Ofqual to prepare an additional primary statement. The Statement of Outturn against Parliamentary Supply and supporting notes showing outturn against Parliamentary Estimate in terms of the net resource requirement and the net cash requirement.

1.1 Accounting convention

These financial statements have been prepared under the historical cost convention. Ofqual has a small asset base, and property, plant, equipment and intangible assets are held at depreciated historic cost as a proxy for current value, as permitted by the 2024 to 2025 FReM. No revaluation adjustments have been made in these accounts.

1.2 Accounting policies

1.2.1 Going concern

In common with other government departments, funding for Ofqual will be met in the main by future Grants of Supply to be approved annually by Parliament.

The 2021 Spending Review delivered a settlement for 2024 to 2025 that recognised the important role that Ofqual plays in delivering government objectives, with additional baseline budget being provided to support increased capacity for Ofqual's core business and reformed qualifications.

The financial year 2024 to 2025 marks the final period for which funding was allocated in the 2021 Spending Review. During the year, the 2025 Spending Review (SR25) was launched in 2 phases, the first to allocate funding for the year 2025 to 2026 and the second to allocate funding for a further 3 years for Revenue Expenditure and 4 years for Capital Expenditure. The conclusion of the first phase delivered a settlement that recognised the important role Ofqual continues to play in delivering government objectives, with appropriate funding provided to support the necessary capacity for Ofqual's core activities and reformed qualifications. Accordingly, a budget has been set that achieves these objectives and continued regulatory intent. Ofqual's settlement from His Majesty's Treasury for SR25 Phase 2 (RDEL: £29.5m per annum between 2026 to 2027 and 2028 to 2029) will enable continued delivery of its statutory and key strategic objectives over the period covered. It is therefore considered appropriate to adopt a going concern basis for the preparation of these financial statements.

1.2.2 Valuation of non-current assets

Property, plant, equipment and intangible assets are capitalised if they are intended for use on a continuous basis for more than one year and are held at depreciated historic cost. The threshold for capitalising non-current assets is £2,000 on an individual basis. When purchasing groups of assets that individually are valued £500 but taken together form a single collective asset, and are equal to or greater than £5,000, these are capitalised.

1.2.3 Depreciation and amortisation

Depreciation and amortisation are provided on all non-current assets on a straight-line basis to write off cost (less any estimated residual value) evenly over the asset's anticipated useful life. Asset lives are in the following ranges:

- information technology (hardware) – 3 to 5 years
- furniture – 5 years
- software licenses & IT developments – 5 years

1.2.4 Operating and other income

Ofqual's primary source of operating income comes from a contract with the Council for Curriculum, Examinations & Assessment (CCEA), for the collection of examinations data from awarding organisations. Income is recognised net of VAT. The contract is renewed annually. Income is recognised in line with FREM and IFRS15 Revenue from contracts with customers

Other income may also include cost recovery related to fines imposed. This is recognised in SoCNE. Further detail is provided in Note 5. Income from fines and penalties is not retained by Ofqual and is paid into the Consolidated Fund on receipt as shown in SOPS 4.2 in line with FReM and the Consolidated Budgeting Guidance.

1.2.5 Administration and programme expenditure

Costs have been separated between programme and administration. Programme costs are chiefly the costs associated with Ofqual's delivery of frontline reform activities and include certain staff and information systems costs. Administration costs are the costs incurred in running Ofqual.

1.2.6 Pensions

Past and present employees are covered by a mixture of the provisions of the Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS). Both schemes are unfunded multi-employer defined benefit schemes. Ofqual accounts for its participation in the schemes as if it were a defined contribution scheme. Annual contributions payable to the scheme are recognised in the Statement of Comprehensive Net Expenditure. Further pension details are contained in the remuneration report and staff report.

1.2.7 Leases

IFRS 16 introduced a single lessee accounting model resulting in a more faithful representation of a lessee's assets and liabilities. The standard requires a lessee to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments. This applies to all leases with a term of more than 12 months unless the underlying asset is worth less than £5,000. There is no distinction between operating and finance leases. IFRS 16 retains the same definition of a lease as IAS 17 but with more emphasis on the concept of control, that is the right to control the use of an identified asset.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term. The service element and VAT is excluded, whereas residual value guarantees, exercise price of purchase options and termination penalties are included in the measurement. The lease liabilities are discounted using the interest rate implicit in the lease or where that is not readily determinable, the discount rate as provided by HM Treasury. Lease liabilities will increase as a result of interest charged at a constant rate on the balance outstanding and will reduce for the cash lease payments made.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease
- initial direct costs incurred
- the amount of any provision recognised where an entity is contractually required to dismantle, remove or restore the leased asset (typically dilapidations)

Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease on initial adoption or from the start date of the lease for new additions.

The definition of a contract is expanded under the FReM to include intra-UK government agreements where non-performance may not be enforceable by law. This includes, for example, Memorandum of Terms of Occupation (MOTO) agreements.

1.2.8 Financial instruments

Financial instruments are recognised at fair value and charged to SOCNE in line with IFRS 9 Financial instruments and Note 1.2.9 below. Ofqual does not have any complex financial instruments. Ofqual determines the classification of its financial instruments at initial recognition.

1.2.9 Financial assets

Ofqual holds the following financial assets:

- cash and cash equivalents
- trade receivables – current

Cash and cash equivalents comprise Ofqual's closing bank account balance and are recognised in the Statement of Financial Position and Statement of Cashflow at fair value and charged to SOCNE.

Trade and other receivables have fixed or determinable amounts that are not quoted on an open market. Trade and other receivables do not carry any interest and are recognised at fair value and charged to SOCNE in the Statement of Financial Position.

Financial assets are recognised when a contractual provision arises, and derecognised when the contractual rights to the cash flows from the financial asset expire.

1.2.10 Financial liabilities

Trade and other payables including accruals are generally not interest bearing and are recognised in the Statement of Financial Position at fair value and charged to SOCNE on initial recognition. Financial liabilities are recognised when a contractual provision arises and are derecognised when the obligation specified in the contract has been discharged, cancelled or has expired.

1.2.11 Value Added Tax

Many of Ofqual's activities are outside the scope of Value Added Tax (VAT) and, in general, output tax does not apply and input tax on purchases is often not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are recorded net of VAT.

1.2.12 Contingent liabilities and contingent assets

In addition to contingent liabilities disclosed in accordance with IAS 37, Ofqual discloses for parliamentary reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to Parliament in accordance with the requirements of Managing Public Money.

Where the time value of money is material, contingent liabilities, which are required to be disclosed under IAS 37, are stated as discounted amounts and the amount reported to Parliament separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to Parliament and included in the Parliamentary and Accountability Report.

1.3 IAS 8 Changes in accounting policy and disclosures

There are no changes in accounting policy and disclosures in the current financial year.

1.4 Impending application of newly issued accounting standards not yet effective

IFRS 17: Insurance Contracts replaces IFRS 4: Insurance Contracts and is to be included in the FReM for mandatory implementation from 2025 to 2026. It establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of this Standard.

IFRS 17 requires insurance contracts, including reinsurance contracts, to be recognised on the statement of financial position as the total of the fulfilment cashflows and the contractual service margin (CSM).

The fulfilment cashflows consist of the present value of future cash flows calculated using best estimate assumptions with an explicit risk adjustment for non-financial risk. The risk adjustment is released to the SoCNE as risk expires. The CSM is the unearned profit on insurance contracts and is released to the SoCNE over the insurance contract period as insurance services are provided. Where an insurance contract is onerous, it will have no CSM and the onerous element of the insurance contract will be recognised immediately in the SoCNE.

In December 2023 HM Treasury released an exposure draft on potential changes to make to valuing and accounting for non-investment assets (for example PPE, intangible assets). The following changes to the valuation and accounting of non-investment assets is to be included in the 2025 to 2026 FReM for mandatory implementation:

References to assets being held for their 'service potential' and the terms 'specialised/nonspecialised' assets are being removed from the FReM. Non-investment assets are instead described as assets held for their 'operational capacity'. This change has no impact on the valuation basis of non-investment assets, which remains Existing Use Value (EUV). An adaptation to IAS 16 will be introduced to withdraw the requirement to revalue an asset where its fair value materially differs from its carrying value. Assets are now valued using the one of the following processes:

- a quinquennial revaluation supplemented by annual indexation
- a rolling programme of valuations over a 5-year cycle, with annual indexation applied to assets during the 4 intervening years
- for non-property assets only, appropriate indices
- In rare circumstances where an index is not available, a quinquennial revaluation supplemented by a desktop revaluation in year 3.

The option to measure intangible assets using the revaluation model is withdrawn.

The carrying values of intangible assets at 31 March 2025 will be considered the historical cost at 1 April 2025.

The 2025 to 2026 FReM will include new guidance on accounting for social benefits. The 2025 to 2026 FReM will define social benefits as 'current transfers received by households (including

individuals) intended to provide for the needs that arise from certain events or circumstances, for example, sickness, unemployment, retirement, housing, education, or family circumstances.'

The 2025 to 2026 FReM clarifies that expenditure in respect of social benefit payments should be recognised at the point at which the social benefit claimant meets the eligibility requirements to receive the benefit. Only the expenditure for the period of entitlement that falls within the accounting year should be recognised.

It is not envisaged that the expected changes to the standards above will have any impact on Ofqual.

1.5 Judgements and estimates

In preparing these financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenditure. These judgements and estimates are based on historical experience, current operational data, and other relevant factors. Key sources of estimation uncertainty, which may give rise to a material adjustment within the next financial year, are set out below:

- Holiday pay accrual

In accordance with IAS 19 Employee Benefits and the Government Financial Reporting Manual (FReM), the Department recognises a liability for annual leave accrued by staff but not taken as at the reporting date. This is recognised as a short-term employee benefit and measured at the undiscounted amount expected to be paid when the liability is settled.

The estimate is derived from HR records and payroll data, using the number of untaken leave days multiplied by each employee's daily pay rate. It includes associated employer costs such as National Insurance and pension contributions. The methodology is reviewed annually to ensure it reflects current workforce patterns and pay structures.

- Building management costs

An estimate was recognised for 2024 to 2025 in respect of building management costs due to late receipt of supplier invoices. The estimate was based on information provided by the facilities management contractor and reflects services rendered by the reporting date.

- Legal costs

A provision was estimated for legal services not yet invoiced at year end. This estimate was based on a detailed work-in-progress schedule supplied by the contracted legal provider.

- Other estimates

Additional accruals and provisions were estimated using historical invoicing patterns and management's assessment of services delivered up to 31 March 2025.

Note 2 – Statement of operating costs by operating segment

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of an organisation that are regularly reviewed by the Chief Operating Decision Maker, which is the Chief Regulator in Ofqual, in order to allocate resources to the segments and to assess their performance.

The following table presents gross expenditure, income, depreciation and net expenditure regarding the operating segments, regulation, standards and other directorates, based on management information produced in accordance with IFRS 8. Assets and liabilities are not reported separately to the Chief Operating Decision Maker and so are not disclosed separately by operating segment.

Item	2024 to 2025 General Qualifications £000	2024 to 2025 Vocational & Technical Qualifications £000	2024 to 2025 Standards, Research & Analysis £000	2024 to 2025 Regulatory & Corporate Services £000	2024 to 2025 Strategy £000	2024 to 2025 Legal £000	2024 to 2025 Total £000
Gross expenditure	2,860	8,130	2,781	9,550	4,720	1,712	29,753
Income	0	0	0	(51)	0	(25)	(76)
Depreciation	0	0	0	800	0	0	800
Net expenditure	**2,860**	**8,130**	**2,781**	**10,299**	**4,720**	**1,687**	**30,477**

Item	2023 to 2024 General Qualifications £000	2023 to 2024 Vocational & Technical Qualifications £000	2023 to 2024 Standards, Research & Analysis £000	2023 to 2024 Regulatory & Corporate Services £000	2023 to 2024 Strategy £000	2023 to 2024 Legal £000	2023 to 2024 Total £000
Gross expenditure	3,222	8,122	2,677	9,829	4,251	1,508	29,609
Income	0	(2)	0	(62)	(50)	0	(114)
Depreciation	0	0	0	896	0	0	896
Net expenditure	**3,222**	**8,120**	**2,677**	**10,663**	**4,201**	**1,508**	**30,391**

Ofqual has **6** directorates in 2024 to 2025:

- **General Qualifications** provides dedicated resources for this specific qualification area
- **Vocational and Technical Qualifications** provides dedicated resources for this specific qualification area including continued delivery of the reform programme of vocational and technical qualifications
- **Standards, Research and Analysis** is responsible for the research and analysis functions to underpin the regulatory approach
- **Regulatory and Corporate Services** comprises management of the National Reference Test, collecting evidence and intelligence from awarding organisations and auditing their compliance with Ofqual's regulations, public facing services, and business support services including finance, commercial, HR, information management
- **Strategy** (previously Chief Regulator's Office) includes the strategy team, communications, and the private office. The Chief Regulator's Office was moved to this directorate from 2023 to 2024. This also included Legal in 2023 to 2024 which was reported as a separate directorate from 2024 to 2025.
- **Legal** was previously part of Chief Regulator's Office.

Results for 2023 to 2024 have been represented to include the new directorates for comparison.

Note 3 – Staff costs

Description	2024 to 2025 Permanently employed staff £000	2024 to 2025 Others £000	2024 to 2025 Total £000	2023 to 2024 Total £000
Wages and salaries	17,784	164	17,948	16,829
Social security costs	2,011	0	2,011	1,875
Other pension costs	4,957	0	4,957	4,338
Sub-total	**24,752**	**164**	**24,916**	**23,042**
Less: Recoveries in respect of outward secondments	(78)	0	(78)	0
Add: Payment in respect of inward secondment	0	0	0	0
Total net costs	**24,674**	**164**	**24,838**	**23,042**

Of which:	2024 to 2025 Charged to administration budgets £000	2024 to 2025 Charged to programme budgets £000	2024 to 2025 Charged to capital budgets £000	2024 to 2025 Total £000
Core departments	4,333	20,505	0	24,838
Total	**4,333**	**20,505**	**0**	**24,838**

Note 4 – Expenditure

Description	SOCNE	2024 to 2025 Core department £000	2023 to 2024 represented Core department £000
Non-cash items:			—
Depreciation		433	589
Amortisation		367	308
Auditor's remuneration	*Other Op Exp*	130	105
Interest charges on lease	*Other Op Exp*	98	12
Non-cash items		1,028	1,014
AME Provision for dilapidations: release of unused provision		(29)	—
Total non-cash items		**999**	**1,014**
Other expenditure:		—	—
Direct operational expenditure	*Other Op Exp*	593	683
Rent and accommodation	*Other Op Exp*	507	808
Recruitment, training and staff-related	*Other Op Exp*	350	628
Finance costs	*Other Op Exp*	3	3
IT	*Purchase of goods*	904	1,119
External Advice & Experts	*Purchase of goods*	558	776
Research	*Purchase of goods*	1,801	2,432
Total other expenditure		**4,716**	**6,449**
Total other administration costs		**5,715**	**7,463**

Under the streamlining project there is no longer a requirement to separately classify administration and programme expenditure. Note 4 includes both administration and programme expenditure. 2023 to 2024 has been re-stated for comparison. Research and External Advice & Experts were previously shown within Direct Operational Expenditure.

Note 5 – Income

Description	2024 to 2025 Core department £000	2023 to 2024 Core department £000
Department For Education	0	50
Council for Curriculum, Examinations and Assessment	45	54
Other income	6	10
Fines and penalties (cost recovered as an agent)	25	—
Total	**76**	**114**

Fines and penalties are collected as an agent for HM Treasury and so are disclosed in SOPS 4.2 Consolidated Fund Income.

Note 6 – Right of use assets

Description	2024 to 2025 Total £000	2023 to 2024 Total £000
Cost or valuation:		—
At 1 April 2024	2,253	733
Additions	311	2,253
Disposals	0	(733)
At 31 March 2025	**2,564**	**2,253**
Depreciation:		—
At 1 April 2024	19	298
Charged in year	259	454
Disposals	0	(733)
At 31 March 2025	**278**	**19**
Carrying amount at 31 March 2025	**2,286**	**2,234**
Carrying amount at 1 April 2024	2,234	435
Asset financing:		—
Leased under IFRS 16	**2,286**	**2,234**
Carrying amount at 31 March 2025	**2,286**	**2,234**

Right of use assets includes the buildings lease for Friargate only in 2024 to 2025.

The lease for Friargate commenced 1 March 2024 and is an agreement with the Government Property Agency (GPA). The new lease runs for 10 years to 2034. In 2024 to 2025 GPA informed Ofqual of a revised estimate for dilapidation costs related to Friargate. The existing provision of £64,000 was increased by £311,000 to the new total of £375,000. This was achieved by releasing the £29,000 dilapidations provision at Earlsdon Park, and receiving additional CAME (Capital Annually Managed Expenditure) funding of £282,000 as part of the 2024 to 2025 Supplementary Estimates.

Note 7 – Property, plant and equipment

Description	2024 to 2025 Information technology £000	2024 to 2025 Furniture £000	2024 to 2025 Total £000
Cost or valuation:			
At 1 April 2024	651	133	784
Additions	118	6	124
Disposals	(241)	0	(241)
At 31 March 2025	**528**	**139**	**667**
Depreciation:			
At 1 April 2024	368	20	388
Charged in year	147	27	174
Disposals	(239)	0	(239)
At 31 March 2025	**276**	**47**	**323**
Carrying amount at 31 March 2025	**252**	**92**	**344**
Carrying amount at 1 April 2024	283	113	396
Asset financing:			
Owned	252	92	344
Carrying amount at 31 March 2025	**252**	**92**	**344**

Description	2023 to 2024 Information technology £000	2023 to 2024 Furniture £000	2023 to 2024 Total £000
Cost or valuation:	—	—	—
At 1 April 2023	944	53	997
Additions	183	80	263
Disposals	(476)	-	(476)
At 31 March 2024	**651**	**133**	**784**
Depreciation:	—	—	—
At 1 April 2023	721	9	730
Charged in year	123	11	134
Disposals	(476)	—	(476)
At 31 March 2024	**368**	**20**	**388**
Carrying amount at 31 March 2024	**283**	**113**	**396**
Carrying amount at 1 April 2023	223	44	267
Asset financing:	—	—	—
Owned	283	113	396
Carrying amount at 31 March 2024	**283**	**113**	**396**

The disposals in 2024 to 2025 include IT assets which had a net book value of zero by year end.

Note 8 – Intangible assets

Description	2024 to 2025 Software licenses £000	2024 to 2025 Total £000
Cost or valuation:		
At 1 April 2024	1,671	1,671
Additions	325	325
Disposals	0	0
At 31 March 2025	**1,996**	**1,996**
Amortisation:		
At 1 April 2024	682	682
Charged in year	367	367
Disposals	0	0
At 31 March 2025	**1,049**	**1,049**
Carrying amount at 31 March 2025	**947**	**947**
Carrying amount at 1 April 2024	989	989
Asset financing:		
Owned	947	947
Carrying amount at 31 March 2025	**947**	**947**

Description	2023 to 2024 Software licenses £000	2023 to 2024 Total £000
Cost or valuation:	—	—
At 1 April 2023	1,387	1,387
Additions	284	284
Disposals	—	—
At 31 March 2024	**1,671**	**1,671**
Amortisation:	—	—
At 1 April 2023	374	374
Charged in year	308	308
Disposals	—	—
At 31 March 2024	**682**	**682**
Carrying amount at 31 March 2024	**989**	**989**
Carrying amount at 1 April 2023	1,013	1,013
Asset financing:	—	—
Owned	989	989
Carrying amount at 31 March 2024	**989**	**989**

Note 9 – Cash and cash equivalents

Description	2024 to 2025 £000	2023 to 2024 £000
Balance at 1 April	**1**	**30**
Net change in cash and cash equivalents	475	(29)
Balance at 31 March 2025	**476**	**1**
The following balances at 31 March were held at:	—	—
Government Banking Service	476	1
Balance at 31 March	**476**	**1**

Note 10 – Trade receivables

Description	2024 to 2025 £000	2023 to 2024 £000
Amounts falling due within 1 year:	—	—
Trade receivables	46	—
Other receivables	307	2
Prepayments	424	412
Accrued income	16	—
VAT	73	12
Total at 31 March 2025	**866**	**426**

Other receivables includes £305,000 fines income which was imposed in 2024 to 2025 but cash was not received until after 31 March 2025. This income is paid over to the Consolidated Fund on receipt and is not retained by Ofqual.

Note 11 – Trade payables, financials and other liabilities

Description	2024 to 2025 £000	2023 to 2024 £000
Amounts falling due within one year:	—	—
Other taxation and social security	477	446
Trade payables	(124)	3
Other payables	59	7
Accruals	1,977	1,456
Deferred income	4	4
Amounts issued from the Consolidated Fund for supply but not spent at the year end	476	1
Consolidated Fund extra receipts due to be paid to the Consolidated Fund	—	—
• received	—	—
• receivable	305	—
Total at 31 March 2025	**3,174**	**1,917**

Consolidated Fund extra receipts includes £305,000 fines income which was not received until after 31 March 2025 although the fines were imposed in 2024 to 2025. The cash was paid over to the consolidated fund as soon as it was received.

Trade payables for 2024 to 2025 are negative due to an outstanding credit note from GPA for £125,000. Invoices were received in April 2025 to offset this.

Note 12 – Lease liabilities

Maturity analysis	2024 to 2025 Buildings £000	2024 to 2025 Equipment £000	2024 to 2025 Total £000	2023 to 2024 Total £000
Less than one year	291	0	291	279
Between 2 and 5 years	1,020	0	1,020	825
Later than 5 years	1,000	0	1,000	1,231
Total present value obligations	**2,311**	**0**	**2,311**	**2,335**
Lease liabilities included in the balance sheet				—
Current	291	0	291	279
Non-current	2,020	0	2,020	2,056
Total present value obligations	**2,311**	**0**	**2,311**	**2,335**
Movement in lease during the year				—
As at 1 April 2024	2,332	3	2,335	436
Interest charged to the income statement	98	0	98	12
Lease liability in relation to new leases	0	0	0	2,194
Lease rental payments	(119)	0	(119)	(307)
Lease write off at termination	—	(3)	(3)	—
Total present value obligations	**2,311**	**0**	**2,311**	**2,335**

This year's cash payments are shown in the cashflow statement.

The lease liability at the year-end includes obligations related to Earlsdon Park for the period April 2024 to July 2024 for which invoices were not paid until April 2025, however the majority of the in-year movement is the Friargate lease which runs for 10 years to 2034.

Note 13 – Commitments under operating leases

The total future minimum lease payments under non-cancellable leases not accounted for under IFRS 16 are:

Description	2024 to 2025 £000	2023 to 2024 £000
Buildings:	—	—
Not later than one year	127	218
Later than one year and not later than 5 years	—	—
Later than 5 years	—	—
Total	**127**	**218**
Equipment:		-
Not later than one year	2	5
Later than one year and not later than 5 years	2	5
Later than 5 years	—	—
Total	**4**	**10**

The minimum lease payments are determined from the relevant lease agreements. The lease expenditure charged during the year is shown in SoCNE. 2024 to 2025 includes rates, service charge and management fees for Earlsdon Park for which invoices are outstanding.

Note 14 – Provisions for liabilities and charges

Description	Earlsdon Park Dilapidations £000	Friargate Dilapidations £000	2024 to 2025 Total £000	2023 to 2024 Total £000
At 1 April 2024	(29)	(64)	(93)	(29)
Provided in year	—	(311)	(311)	(64)
Release on unused provision	29	—	29	—
At 31 March 2025	**0**	**(375)**	**(375)**	**(93)**

Ofqual has held a provision of £29,000 for dilapidations on the Earlsdon Park offices for several years. This amount was released in 2024 to 2025 after the contract exit date of July 2024 had elapsed. The dilapidations provision in relation to Friargate was increased by £311,000 to £375,000 in 2024 to 2025 (total provisions in 2023 to 2024: £93,000).

Note 15 – Financial risks

As Ofqual's cash requirements are met through the estimates process, Ofqual's exposure to credit, liquidity or market risk is minimal. Financial instruments do not have a role in creating and managing risk that they would for a non-public sector organisation of a similar size.

Note 16 – Contingent liabilities.

Ofqual has no contingent liabilities as at 31 March 2025 (£46,000: 2023 to 2024). The contingent liability for 2023 to 2024 in respect of health-related retirement benefits was settled in year.

Note 17 – Related-party transactions

Ofqual had payment transactions with the following government departments and other central government bodies and organisations during the year:

- Cabinet Office
- Department for Work and Pensions
- Government Legal Department
- Government Property Agency
- Ministry of Justice
- Office for Standards in Education, Children's Services and Skills (Ofsted)

Income was received from the following government departments and other central government bodies and organisations during the year:

- CCEA (Council for the Curriculum, Examinations and Assessment)

No board member, key management staff or other related party has undertaken any material transactions with the department during the year. The remuneration report lists all members of the management board having authority or responsibility for directing or controlling the major activities of the entity during the year.

Note 18 – Entities within the department boundary

Ofqual is the only body within its department boundary.

Note 19 – Events after the reporting period

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date that the Annual Report and Accounts were authorised for issue of certification by the Comptroller and Auditor General.

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